



Little Parts. Big Difference. >>>

This is YKK 2024

YKK CORPORATION Integrated Report



Data Book

English

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List of Companies (Fastening Business and Other Businesses Related to Business Operations)

YKK CORPORATION	YKK EUROPE LTD.	YKK INDIA PRIVATE LIMITED
YKK Snap Fasteners Japan Co., Ltd	YKK HOLDING EUROPE B.V.	YKK BANGLADESH PTE. LTD.
YKK KOREA CO., LTD.	YKK (U.K.) LTD.	YKK VIETNAM CO., LTD.
YKK TAIWAN CO., LTD.	YKK DANMARK A/S	YKK (THAILAND) CO., LTD.
YKK REAL ESTATE CO., LTD.	YKK DEUTSCHLAND GMBH	YKK PHILIPPINES, INC.
YKK Business Support Inc.	DYNAT VERSCHLUSSTECHNIK GMBH	YKK LANKA PRIVATE LIMITED
CAFE BONFINO CORP.	YKK STOCKO FASTENERS GMBH	YKK (MALAYSIA) SDN. BHD.
YKK TOURIST CO., LTD.	YKK Poland Sp. zo. o.	PT. YKK ZIPPER INDONESIA
ESSEN	YKK Nederland B.V.	PT. YKK ZIPCO INDONESIA
KUROBE M TECH	YKK FRANCE SARL	YKK OCEANIA LIMITED
KUROBE C G,	YKK CZECH SPOL S.R.O.	GOLDEN HILL TOWER LIMITED
KUROBE MOBILITY SERVICE	YKK Austria GmbH	YKK DEVELOPMENT (S) LTD
YKK Rokko Corporation	YKK ROMANIA S.R.L.	YKK ALUMINIUM (AUSTRALIA) PTY. LTD.
YKK CORPORATION OF AMERICA	YKK ITALIA S.P.A.	YKK GPS (QUEENSLAND) PTY LTD.
YKK (U.S.A.) INC.	YKK MEDITERRANEO S.P.A.	YKK (CHINA) INVESTMENT CO.,LTD
TAPE CRAFT CORPORATION	YKK ESPAÑA S.A.	DALIAN YKK ZIPPER CO.,LTD
YKK CANADA INC.	YKK PORTUGAL — ACESSORIOS PARA VESTUARIO, LDA.	SHANGHAI YKK ZIPPER CO.,LTD
YKK MEXICANA S.A. DE C.V.	YKK HELLAS AEBE	SHANGHAI YKK TRADING CO., LTD.
YKK SNAP FASTENERS MANUFACTURA MEXICO, S.A.de C.V.	YKK METAL VE PLASTIK URUNLERI SANAYI VE TICARET A.S.	YKK SNAP FASTENERS (WUXI) CO., LTD.
YKK HONDURAS, S.A.	YKK MIDDLE EAST SAL	SUZHOU YKK MACHINERY & DIE WORKS CO., LTD.
YKK EL SALVADOR, S.A. DE C.V.	YKK TUNISIA SARL	YKK (XIAMEN) TRADING CO., LTD.
YKK COLOMBIA S.A.S.	YKK TRADING TUNISIA SARL	YKK ZIPPER (SHENZHEN) CO., LTD
YKK DO BRASIL LTDA.	YKK MAROC S.A.R.L	YKK (SHENZHEN) TRADING CO., LTD.
YOSHIDA NORDESTE S/A INDUSTRIA E COMERCIO	YKK EGYPT S.A.E. PRIVATE FREE ZONE	YKK HONG KONG LIMITED.
INDUSTRIA YKK (CHILE) LTDA.	YKK KENYA EPZ LIMITED	
YKK ARGENTINA S.A.	YKK SOUTHERN AFRICA (PTY) LTD	
YKK INSURANCE COMPANY OF AMERICA	YKK HOLDING ASIA PTE. LTD.	
AGRO PECUARIA YKK LTDA.	YKK PAKISTAN (PRIVATE) LIMITED	

Period Covered and Report Scope

Period Covered

- FY2023 (April 1, 2023 to March 31, 2024) *Includes some activities from outside this period

Report Scope

YKK Sustainability Vision 2050 / Environment

- Fastening Business at the center, and other businesses involved in business operation
- Explanatory notes and the like are included as needed when the extent of coverage differs

Social

- The extent of the data is shown individually

Governance

- The extent of the data is shown individually

Financial Information

- Disclosed for the YKK Corporation, its 109 subsidiaries, and two affiliated companies accounted for using the equity method on a consolidated basis as the “Group,” and for each segment (Fastening Business, Architectural Products Business, Other Businesses)

YKK PHILOSOPHY

CYCLE OF GOODNESS®

"No one prospers without rendering benefit to others."



As an important member of society, a company survives through coexistence. When the benefits are shared, the value of the company's existence will be recognized by society.

When pursuing his business, YKK's founder, Tadao Yoshida, was most concerned with that aspect, and would find a path leading to mutual prosperity.

He believed that using ingenuity and inventiveness in business activities and constantly creating new value would lead to the prosperity of clients and business partners and make it possible to contribute to society.

This type of thinking is referred to as the CYCLE OF GOODNESS, and has always served as the foundation of our business activities.

We have inherited this way of thinking, and have established it as the YKK philosophy.

YKK MANAGEMENT PRINCIPLE

“YKK seeks corporate value of higher significance.”



Seeking **corporate value** of higher significance,
YKK will pursue innovative **quality** in the seven key areas shown above.

YKK Group companies seek to delight our customers, earn the high regard of society and make our employees happy and proud.

We are improving the quality of our products, technology, and management as the means to achieve this.

We make fairness the fundamental standard for all YKK Group business operations, and this is the basis for our management decisions.

YKK CORE VALUES

**Do not fear failure; experience builds success. /
Create opportunities for employees.**

Insist on quality in everything.

Build trust, transparency and respect.

The Philosophy of YKK's Founder, Tadao Yoshida

From the CYCLE OF GOODNESS® to a Sustainable Future



YKK is constantly pursuing contributing to a sustainable society through its core business. The foundation of all such corporate activities is the CYCLE OF GOODNESS corporate philosophy of YKK founder Tadao Yoshida. This philosophy, "No one prospers without rendering benefit to others," clearly expresses YKK's spirit of continuing to prosper together with society, customers, related industries, and employees. It is a concept that is highly compatible with sustainability. The founder repeatedly conveyed the essence of this corporate philosophy to employees, speaking of it in various ways.

A philosophy that is highly compatible with sustainability has been at the core of YKK's management since the time of the founder. It continues to be inherited at the company even today, 90 years after it was founded.

Business is like building
a bridge

July 1965

I don't think that a business will prosper unless it is both profitable and also contributes to the world and is useful to human society. Nothing brings more happiness than when we can contribute to the local industry and the local economy, thereby enriching the lives of local people. YKK's "bridges" that bring abundant civilization to developing countries and new affluence to developed countries will continue in the future.

If we make use of our
ingenuity, even our waste
can be a great resource

January 1971

The first thing we should do is think about how to better deal with waste from our own neighborhoods and implement those ideas together. If we continue digging for underground resources, cutting down trees, catching fish, and increasing oceans where fish can't live as we are doing now, it will mean the destruction of humanity.

Manufacturing like clear
spring water

January 1984

Like a wonderful fountain, it bubbles forth, rich and authentic. This is true abundance. The important thing is not to waste valuable resources. Then it will be a great product.

The strength of the forest is
greater than the trees

July 1970

Some trees are thick with experience and age, others are young and thin. There are tall trees and short trees. We work well together, not under the control of anyone, using our strengths and abilities according to our individuality.

Aiming for Climate Neutrality, Co-Existence,
and Co-Prosperity as a Company that
Co-exists and Co-prospers with Society
and the Natural Environment

YKK sustainability vision 2050

Achievement of Climate Neutrality and Co-existence with Nature



Climate change

Develop business activities that are adapted to climate change and curb its effects

In order to combat global climate change, YKK commits to greenhouse gas emissions reduction targets that are required to meet the goals of the Paris Agreement – to limit global warming to below 1.5°C above pre-industrial levels – and we will work to reduce GHG emissions with the aim of becoming carbon neutral by 2050. Furthermore, we will adapt to climate change and develop stable business activities.



Material resources

Achieve *monozukuri* to boost sustainable use of material resources

By reducing the environmental impact of products manufactured by the Fastening Business and in the packaging materials used, and by shifting to sustainable materials, we aim to reduce waste generated through the life cycle of products, reduce the use of petroleum-derived materials, and contribute to the realization of a circular society, while protecting ecosystems and expanding activities to enrich them.



Water resources

Implement sustainable water use

For sustainable water use, we will work to reduce the burden on local communities and ecosystems by reducing water intake and strengthening wastewater management according to local conditions.



Chemical management

Manage and reduce chemical usage

In order to ensure a healthy environment for future generations, we will work to minimize the impact of chemical substances on the natural environment and people through appropriate management and by reducing the amount used.



Respect people

Uphold human rights and ensure fair, safe work environments

YKK believes in the universal philosophy of respecting the dignity and rights of all human beings and is committed to contributing to a diverse and sustainable society.

Mid-term Direction

Enhancing Sustainability






Management Centered on Sustainability: YKK Sustainability Vision 2050

In October 2020, YKK formulated the “YKK Sustainability Vision 2050,” aiming to achieve five themes and related SDGs. Constantly reviewing the Vision based on social demands and customer needs, YKK has added new KPIs to further accelerate efforts towards realizing a circular society, addressing climate change, biodiversity, and resource circulation.



Furusato-no-Mori (Hometown Forest) and waterside areas

YKK Sustainability Vision 2050 - Achievement of Climate Neutrality and Coexistence with Nature

Theme/Policy	Goal
 Climate change Develop business activities that are adapted to climate change and curb its effects <p>In order to combat global climate change, YKK commits to greenhouse gas emissions reduction targets that are required to meet the goals of the Paris Agreement – to limit global warming to below 1.5°C above pre-industrial levels – and we will work to reduce GHG emissions with the aim of becoming carbon neutral by 2050. Furthermore, we will adapt to climate change and develop stable business activities.</p>	<p>(By 2030)</p> <ul style="list-style-type: none"> • We will reduce emissions of CO₂ and other greenhouse gases in our company and supply chain. • Scope 1+2: 50% reduction (from FY2018 baseline) • Scope 3: 30% reduction (from FY2018 baseline) • 100% of electricity used is renewable energy <p>(By 2050)</p> <ul style="list-style-type: none"> • We aim to produce zero GHG emissions (carbon neutral). • We will reduce our energy consumption by improving manufacturing methods and equipment, in addition to pursuing greater efficiency in our operations and each process. • We will promote the installation of renewable energy generation facilities at Fastening Business locations. • To reduce Scope 2 emissions, we will promote the purchase of renewable energy. • To reduce Scope 3 emissions, we will promote the changeover of materials to sustainable materials. • We will eliminate all coal-using facilities by 2025. • We will reduce the risk of disasters associated with climate change (such as floods, heat waves, and small amounts of rainfall). • We will construct a supply chain that takes disaster risks caused by climate change into account.
 Material resources Achieve monozukuri to boost sustainable use of material resources <p>By reducing the environmental impact of products manufactured by the Fastening Business and in the packaging materials used, and by shifting to sustainable materials, we aim to reduce waste generated through the life cycle of products, reduce the use of petroleum-derived materials, and contribute to the realization of a circular society, while protecting ecosystems and expanding activities to enrich them.</p>	<p>(By 2030)</p> <ul style="list-style-type: none"> • We will switch to 100% sustainable textile materials (recycled materials, naturally-derived materials, etc.) for fastening products. • We will replace all vinyl/plastic packaging materials used in the Fastening Business with sustainable packaging, including collectable/reusable forms. • We will maintain a waste recycling rate of 90% or higher. • We will reduce the amount of waste to be landfilled or incinerated at all manufacturing sites. • We will promote procurement that takes biodiversity (an environmental issue) into consideration. • We will contribute to resource recycling by promoting manufacturing and product design (improved durability, reparability, recyclability, etc.) that allows resources to be reused repeatedly and avoid generating waste. • We will develop resource recycling technology for fastening products. • We will carry out activities for ecosystem conservation.
 Water resources Implement sustainable water use <p>For sustainable water use, we will work to reduce the burden on local communities and ecosystems by reducing water intake and strengthening wastewater management according to local conditions.</p>	<p>(By 2050)</p> <ul style="list-style-type: none"> • We will reduce water intake by 30% (compared to FY2018) • To reduce our water intake, we will work to use water more efficiently and reuse water, among other initiatives. • We will strictly manage wastewater at all manufacturing sites in accordance with Government regulations and YKK in-house standards established based on industry standards such as the Zero Discharge of Hazardous Chemicals (ZDHC). • We will reduce water risks at each manufacturing site.
 Chemical management Manage and reduce chemical usage <p>In order to ensure a healthy environment for future generations, we will work to minimize the impact of chemical substances on the natural environment and people through appropriate management and by reducing the amount used.</p>	<p>(By 2030)</p> <ul style="list-style-type: none"> • We will promote the reduction of hazardous chemical substances. • Operation of our own standards (YKK Restricted Substance List): We will establish our own standards to control the use of chemical substances throughout our products and manufacturing processes and promote the reduction of hazardous chemical substances through ongoing risk communication with stakeholders. • Compliance with industry standards: With regard to standards for hazardous chemicals, we will promote compliance with industry standards at all of our sites worldwide in accordance with our own standards, which are based on the OEKO-TEX® STANDARD 100 and AFIRM RSL for product standards and the ZDHC Manufacturing Restricted Substance List (ZDHC MRSL) for manufacturing process control standards. • Development of new manufacturing methods: We will develop new manufacturing methods that reduce the use of hazardous chemical substances. Doing this will reduce environmental impact while ensuring product quality. • Prevention of air and soil pollution: We will take measures to prevent air and soil pollution due to the use of hazardous chemicals. Doing this will contribute to the protection of the global environment.
 Respect people Uphold human rights and ensure fair, safe work environments <p>YKK believes in the universal philosophy of respecting the dignity and rights of all human beings and is committed to contributing to a diverse and sustainable society.</p>	<ul style="list-style-type: none"> • By valuing diversity, being inclusive, respecting human rights, and improving the work environment, we will create safer workplaces throughout our supply chain. We will ensure that each individual can work with peace of mind, make the most of his or her individuality, and lead a healthy and happy life. • We will continuously conduct YGCC audits and make improvements in response to changes in societal demands, based on the YKK philosophy, CYCLE OF GOODNESS®, and the UN Guiding Principles on Business and Human Rights.

*1 OEKO-TEX is a registered trademark of ÖTI-Institut für Ökologie, Technik und Innovation GmbH.

*2 The Forest Stewardship Council® (License number: FSC®-C192280)

Activity Highlights

- Received the highest “A List” rating in the CDP Climate Change 2023 Questionnaire
- Received the highest rating in the CDP Supplier Engagement Rating for FY2022 and FY2023
- Revised the YKK Sustainability Vision 2050
- Sustainability-related investment (capital investment) 7.7 billion yen (planned for FY2024)



SDGs	FY2023 results	FY2024 plan
 	<ul style="list-style-type: none"> Scope 1+2 GHG emissions: 238,812t (56.2% reduction from FY2018 baseline) Scope 3 GHG emissions: 587,848t (32.7% reduction from FY2018 baseline) Renewable energy ratio of all power consumption: 56.5% Locations running on 100% renewable energy: 37 Solar power generation facilities in operation: 10 (28 sites in total) Plans formulated to update coal-fired boilers 	<ul style="list-style-type: none"> Continue carrying out initiatives that aim to achieve the FY2030 emission reduction targets based on the SBTi certification to limit the temperature rise due to climate change to less than 1.5°C, and to reduce emissions that exceed that threshold Scope 1+2 GHG emissions: 407,991t or less (25.2% or more reduction from FY2018 baseline) Scope 3 GHG emissions: 742,238t or less (15.0% or more reduction from FY2018 baseline) 10 solar power generation facilities planned Eliminate coal use
	<ul style="list-style-type: none"> Proportion of sustainable materials: 38% (up 12 points year-on-year) Switched to sustainable packaging materials: 31.0% The YKK JAPAN Company (Kurobe Manufacturing Center) replaced the main outer packaging cardboard for fastening products with packaging which uses paper certified by the Forest Stewardship Council® (FSC®)*2 Waste recycling rate: 91.9%*3 Conducted a survey of suppliers that already do business with YKK, or plan to do business with YKK, to determine whether or not they are certified with the Copper Mark*4 Launched the Revived Renewal Series of products that contributes to the longevity of garments life cycle. Established in-house recycling technology and operational flow for copper and zinc alloys used in YKK zippers YKK Center Park's Furusato-no-Mori (Hometown Forest) designated as a Nature Coexistence Site 	<ul style="list-style-type: none"> Proportion of sustainable materials FY2024: 51% More switchovers from plastic packaging materials to sustainable alternatives Solely target suppliers with “The Copper Mark” certification, and encourage non-certified suppliers to obtain certification Plan to begin sales of new “Revived Renewal Series” of products Develop products made of recyclable material that are designed for garment end-of-life recycling to help promote textile circularity Establish facilities and technologies for practical in-house recycling, and verification of practical implementation at overseas sites Implement community-based ecosystem conservation activities
	<ul style="list-style-type: none"> Water intake: 8.898 million t (22.1% reduction compared to FY2018) Water intensity: 13.1% reduction (compared to FY2022) Introduced manufacturing facilities that consume less water Introduce waste water recycling facilities for production reuse (13 sites in total) Conducted wastewater management studies based on ZDHC Wastewater Guidelines Analyzed water risks at each manufacturing site 	<ul style="list-style-type: none"> Water intensity: 2% reduction (compared to FY2023) Introduce manufacturing facilities that consume less water, as well as new water recycling facilities Conduct wastewater management based on ZDHC Wastewater Guidelines Implement water risk reduction measures in areas with high water risk (in-house standards)
 	<ul style="list-style-type: none"> Informed suppliers about the YKK RSL (2023 version) and conducted compliance surveys (1,663 companies) Conducted annual revisions of the YKK RSL (2024 version) based on social and customer needs Conducted tests to monitor status of compliance with the OEKO-TEX® STANDARD 100 certification and the AFIRM RSL Globally deployed the ZDHC MRSL compliance level assessment system Selected alternative materials for non-compliant materials in the YKK RSL (2023 version) and promoted the development of materials, manufacturing processes, etc. Conducted fluorine testing of all purchased materials and switched to materials that are alternatives to per-and polyfluoroalkyl substances (PFAS) wherever possible AcroPlating® technology unit sales volume as a percentage of brass sliders: 25% (up 7 points year-on-year) 	<ul style="list-style-type: none"> Inform suppliers about the YKK RSL (2024 version) and conduct compliance surveys Conduct annual revisions of the YKK RSL (2025 version) based on social and customer needs Conduct tests to monitor status of compliance with the OEKO-TEX® STANDARD 100 certification and the AFIRM RSL Continue to introduce and deploy InCheck reports, a third-party assessment, in the ZDHC MRSL compliance level assessment Select and switch to alternative materials from non-compliant materials in the YKK RSL (2024 version) Enhance inspections of sites that use chemical substances to prevent soil pollution
   	<ul style="list-style-type: none"> Implemented YGCC self-checks/audits at all applicable locations (ongoing) Based on the results of implementation, identified issues to be addressed and developed plans for implementation 	<ul style="list-style-type: none"> Conduct YGCC audits, and review inspection items and assessment criteria based on their results Establish a weekly management system for working hours at each company

*3 According to the definition of “recycling” under Japanese law, includes material recycling and thermal recovery.

*4 The Copper Mark certification: An international framework for responsible production and contributing to the UN SDGs in the copper industry.

Sustainability Management

YKK Sustainability Vision Formulation Process

In the fashion industry, one of YKK's main business partners, the environmental impact of the traditional business model of mass production, mass consumption and mass disposal is becoming a major issue, and the importance of responding to environmental issues such as reducing CO₂ emissions, managing water resources, managing chemical substances and sustainably utilizing resources is increasing. Initiatives to tackle social and labor issues are also indispensable, whether those to respect human rights or build safe working environments.

The importance of addressing these social issues on a global scale goes beyond the fashion industry to a wide range of other domains. As a company with obligations in these industries, YKK is aiming to actively spearhead initiatives that can solve these environmental and social problems.

Based on the business environment surrounding YKK, industry initiatives, and dialogue with customers, we conducted a materiality analysis and chose five themes as materiality issues that cover the environment, as well as society and labor. These were climate change, material resources, water resources, chemical management, and respect people. We formulated targets, policies, and action plans for each of the themes, and announced the YKK Sustainability Vision 2050 in October 2020.

As we constantly inspect the YKK Sustainability Vision 2050 based on societal demands and the needs of customers, in 2024, we have revised the Vision and added new KPIs in order to further accelerate efforts to make a recycling society a reality, including biodiversity and resource recycling, in addition to climate change. In setting our new KPIs, we exchanged opinions with relevant NGOs. After the revised Vision was reported to and approved by the YKK Sustainability Committee, the Management Strategy Council, and Board of Directors, it was disclosed in the "This is YKK" Integrated Report in August 2024.

Sustainability Promotion Structure

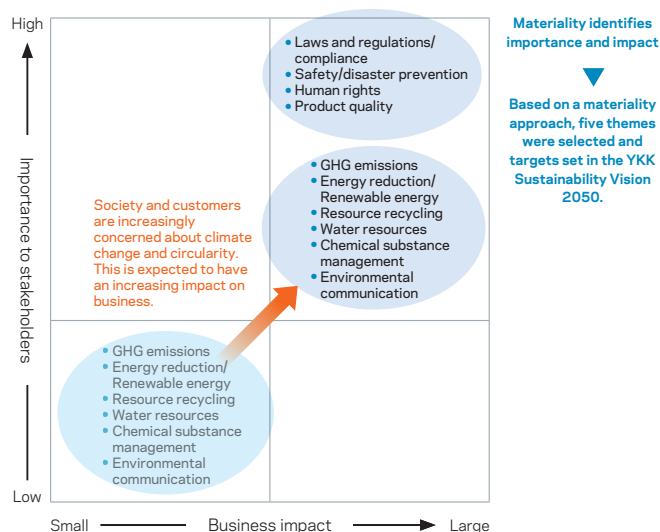
A YKK Sustainability Committee chaired by the president of YKK is established. Expert subcommittees are created for each theme that work to solve issues as we aim to achieve the targets of the YKK Sustainability Vision 2050. In order to further enhance and promote efforts related to chemical management, we established a new expert subcommittee in FY2024. Overseas, Sustainability Committees for each region have been established since FY2021 in response to the committee structure at Headquarters, in order to disseminate and implement Headquarters' sustainability policies and measures, thereby establishing a global promotion system.

Sustainability Committee Meeting Results

Meeting No.	Month	Content
1st	July 2023	Reports about the progress of initiatives carried out by working groups (WG) and about efforts undertaken by Sustainability Committees in each region (Climate change initiatives)
2nd	September 2023	Reports about the progress of initiatives carried out by each WG and about efforts undertaken by Sustainability Committees in each region
3rd	March 2024	Reports about the progress of initiatives and activity plans for the next fiscal year from each WG

* Refer to page 16 for promotion structure information.

Materiality Analysis (Identifying Priority Issues)



October 2020

YKK Sustainability Vision 2050 was announced
Established five priority issues: climate change, material resources, water resources, chemical management, and respect people

August 2024

Revised the YKK Sustainability Vision 2050
In addition to climate change, new KPIs were added to further accelerate efforts to make biodiversity and a circular society a reality.

Comment from executive in charge

Accelerating efforts to implement a circular society

We can say that sustainability is encoded in YKK's very DNA, in the form of our CYCLE OF GOODNESS® philosophy and its proposition that "no one prospers without rendering benefit to others." In addition to climate change, we will strongly focus on resolving issues related to resource recycling, including biodiversity and promotion of the use of sustainable materials. We will actively work to make a circular society a reality throughout our supply chains, while appropriately disclosing supporting data such as LCA evaluations.



Asako Yoshioka

Vice President
General Manager,
Sustainability Department

■ Organization Memberships/Initiatives, etc. (As of March 31, 2024)

YKK joined Cascale (formerly known as the Sustainable Apparel Coalition)

Cascale is an apparel organization, which YKK joined in 2018, that works to reduce the impact that products worldwide have on the environment and society. YKK, along with apparel brands, retailers, manufacturers, raw material manufacturers, research institutes, governmental organizations, etc. across the world, works on improving sustainability of supply chains in the apparel, footwear, and textile industries.

YKK signed the Fashion Industry Charter for Climate Action

YKK signed the Fashion Industry Charter for Climate Action in March 2020, which established the fashion industry's initiative under the auspices of the United Nations Framework Convention on Climate Change (UNFCCC) secretariat. Based on the long-term objectives of the Paris Agreement, this charter focuses on achieving a 30% reduction of total greenhouse gases (GHGs) by 2030 and achieving carbon neutrality by 2050.

YKK joined the net-zero recovery efforts

YKK took part in a "net-zero recovery" statement announced by the SBT initiative and UN Global Compact in May 2020. The statement is based on the idea of aligning the climate change measure of achieving net-zero CO₂ emissions by 2050 with economic recovery from the COVID-19 pandemic.

YKK joined the Textile Exchange

YKK has participated in the Textile Exchange, an international NGO working to popularize eco-friendly textile materials, since September 2020. YKK is participating in the Recycled Polyester Challenge, which is co-sponsored by the Textile Exchange and the Fashion Industry Charter for Climate Action.

Science Based Targets initiative approved YKK's reduction targets of 1.5°C

YKK's GHG emissions reduction targets for FY2030 were approved by the independent Science Based Targets initiative (SBTi) as consistent with levels required to limit global warming to less than 1.5°C above pre-industrial levels. (March 2021)

YKK joined the Japan Sustainable Fashion Alliance

YKK joined the Japan Sustainable Fashion Alliance in September 2021, which aims to promote the transition to a sustainable fashion industry, as a full member. The Alliance's goals are zero fashion loss through appropriate production, purchase, and recycling and carbon neutrality by 2050.

YKK joined the Ellen MacArthur Foundation Network

For years, YKK has partnered with many fashion brands that are members of the Ellen MacArthur Foundation Network to conduct initiatives aimed at achieving a circular society in the fashion industry. In April 2022, YKK became a member of the Network in order to accelerate further our efforts to contribute to the transition to a circular society, as stipulated in YKK Sustainability Vision 2050.

YKK joined the Japanese Ministry of the Environment's 30by30 Alliance for Biodiversity

In August 2022, YKK participated in the 30by30 Alliance for Biodiversity, which has set out to build a framework to achieve the 30by30 targets that aim to conserve or protect 30% of land and sea as biodiversity areas by 2030. The Furusato-no-Mori (Hometown Forest), which YKK set up within the Kurobe Manufacturing Center (Kurobe City, Toyama), was recognized as a Nature Coexistence Site by the Ministry of the Environment in October 2023.

YKK signed the United Nations Convention on Biological Diversity (CBD) COP 15 Business Statement for Mandatory Assessment and Disclosure

Business for Nature is an international coalition of companies pursuing comprehensive action to recover nature that has been destroyed and protect biodiversity. At the 15th Meeting of the Conference of the Parties (COP15) at the UN Convention on Biological Diversity (CBD) held in 2022, Business for Nature evaluated the impact and the level of dependency companies and other organizations have on biodiversity, and called on these companies and other organizations to support and sign a corporate statement committing to mandatory disclosure through 2030.

YKK joined Accelerating Circularity

YKK is participating in a working group that is compiling recommendations to promote recycling of trims—such as zippers and snaps and buttons—for Accelerating Circularity, a non-profit organization in the U.S. that works on textile recycling.

YKK joined the Japanese Ministry of Economy, Trade and Industry's GX League

The GX League was established as a forum for companies aiming to take on Green Transformation (GX) and achieve sustainable growth in the present and future society to collaborate with a group of companies engaged in similar initiatives, together with government and academia, in order to achieve carbon neutrality and social change by 2050. In May 2023, YKK became a participating company in the League.

YKK joined the Japan Climate Leaders' Partnership (JCLP)

In May 2023, YKK joined the JCLP, a group of companies that supports the goal of zero GHG emissions worldwide by 2050, and aims to make a sustainable and carbon free society a reality. Through participation in the JCLP, YKK will show its willingness and demonstrate actions to support the realization of a carbon neutral society, in accordance with the Paris Agreement, and contribute to international and regional sustainable development through its own decarbonization practices.

Environment

Environmental Management

■ Environmental policy promotion system

Toward achievement of YKK Sustainability Vision 2050, we established the YKK Sustainability Committee under the Management Strategy Council. With the company president as its chair, the Committee is addressing environmental issues, such as climate change. The Committee is doing so by determining policies and strategies as well as by building a global sustainability promotion structure.

■ Environmental management system

YKK builds an environmental management system in each company that follows the ISO 14001 international standard and promotes continuous environmental activities. Furthermore, YKK has formulated the YKK Global Criteria of Compliance (YGCC), which is based on internal rules related to working conditions, health and safety, the environment, and fair business practices. Self-checks are carried out once a year in addition to periodic external audits.

■ Environmental objectives and targets

YKK has established a Mid-term Environmental Management Policy and measures are analyzed every four years to fit the Mid-term Management Policy. In the 6th Mid-term Environmental Management Policy, starting from FY2021, we are carrying out activities to achieve a sustainable society focusing on the concept of "Technology Oriented Value Creation," and with the aim of becoming a company for the social good that is in harmony with the environment. Activities are being carried out after formulating environmental objectives each year toward achievement of the environmental management policy.

6th Mid-term YKK Environmental Policy (FY2021 to FY2024)

Under the 6th Mid-term Management Vision, "Technology Oriented Value Creation," YKK will promote sustainability through its business activities and products, harmonize with the environment, continue to be a company for the social good, and contribute to society.

Guidelines for Action

- In accordance with the YKK Sustainability Vision, we will strengthen our environmental management system and carry out continuous improvement to ensure environmental compliance and reduce our environmental impact.
- In order to achieve climate neutrality by 2050, we will reduce CO₂ and other GHG emissions over the long-term.
- We will reduce products' environmental impacts throughout their life cycle and promote the transition to sustainable energy and materials.
- We will reduce our environmental impact, as well as the burden we place on the environment, by reducing the use of water and chemical substances for the preservation of ecosystems and enrichment of life.

April 1, 2021

Hiroaki Otani

President, YKK Corporation

FY2024 YKK Environmental Objectives

Contribute to society, in harmony with the environment

1 Respond to climate change

- Scope 1+2 CO₂ emissions 25.2% reduction from FY2018 baseline (reduction of 50% by FY2030)
- Scope 3 CO₂ emissions 15.0% reduction from FY2018 baseline (reduction of 30% by FY2030)

2 Reduce environmental impact

- Waste
 - Waste recycling rate of at least 92%
 - Waste intensity reduction 4% year-on-year reduction (FY2030 waste emissions = FY2018 waste emissions)
- Water (intake) intensity reduction 2% year-on-year reduction (FY2030 water intake = FY2018 water intake)
- Implement water risk reduction measures based on the results of the evaluation of water risks that take the regional environment into account
- Promote zero environmental accidents and the reduction of environmental impact on the atmosphere, wastewater, soil, etc.

3 Provide and propose environmentally friendly products

- Ensure the implementation of environmentally friendly themes in the development of products and equipment

4 Ensure environmental compliance

- Foster environmental human assets by enhancing environmental education
- Strengthen environmental management system via YGCC

Climate Change

Fundamental Approach

In March 2020, YKK signed the Fashion Industry Charter for Climate Action aimed at achieving the objectives of the Paris Agreement, to enable the company to achieve climate neutrality by 2050. In March 2021, we also set a CO₂ reduction target of limiting the average worldwide temperature increase to 1.5°C (objective approved by the SBT), and we are working to implement energy conservation and renewable energy in an effort to reduce CO₂ emissions at each of our business sites around the world.

FY2023 Initiatives

YKK Group achieved the GHG emissions target of a 21.0% reduction for FY2023 compared to FY2018, an SBTi-approved target. (Reduction of 56.2% from FY2018 baseline*)

The entire Group is moving forward with renewable energy procurement, and 37 of our plants around the world have achieved procurement of 100% of their used power as renewable energy.

In addition, we are also creating renewable energy, including the operation of solar power generation systems, at 26 locations (total generation capacity: 12,600 kW).

* Actual value prior to third-party verification

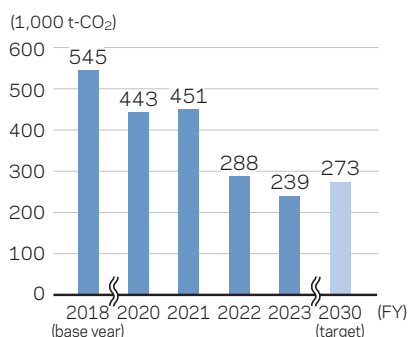
Changes in CO₂ emissions

In March 2021, YKK obtained certification under the SBT initiative's 1.5°C target.

We will aim for a 50% reduction (compared to FY2018) of GHGs in Scope 1+2, and a 30% reduction (compared to FY2018) in Scope 3 by 2030.

Scope 1+2

* Calculated using the YKK Group GHG calculation rules (CO₂ conversion factor fluctuation of electricity)



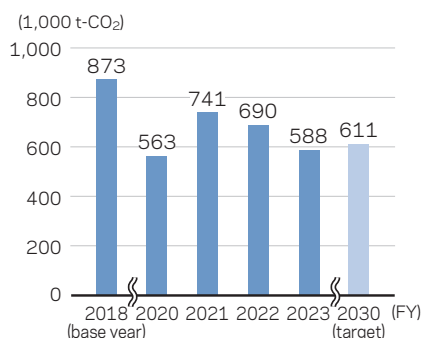
CO₂ emissions in FY2023 were reduced by 56.2% compared to FY2018

Unit: 1,000 t-CO₂

	2018	2020	2021	2022	2023
Japan	77	57	66	37	37
Americas	41	33	34	30	26
Europe	27	25	21	19	16
ISAMEA	45	34	47	26	14
ASEAN	225	178	171	159	130
China	129	116	113	16	16

Scope 3

* Calculated using the Scope 3 calculation method noted on page 13.



CO₂ emissions in FY2023 were reduced by 32.7% compared to FY2018

Unit: 1,000 t-CO₂

	2018	2020	2021	2022	2023
Japan	232	116	153	163	152
Americas	107	63	88	81	56
Europe	41	32	42	40	39
ISAMEA	57	43	47	49	48
ASEAN	239	157	213	191	159
China	198	152	198	167	134

* GHG emissions in FY2021 and FY2022 (Scope 1+2 emissions, as well as Scope 3 emissions in categories 1, 2, and 3) were certified by a third party

Breakdown of CO₂ emissions across all supply chains* (FY2023 results in six regions)Unit: 1,000 t-CO₂

		Region Total	Japan	Americas	Europe	ISAMEA	ASEAN	China
Scope 1	Direct emissions from fuels burned on-site, etc.	77	11	9	14	8	21	13
Scope 2	Indirect emissions from purchased power and the use of heat	162	26	17	2	6	108	3
Scope 3	Category 1 Purchased Goods and Services	327	91	24	10	17	92	92
	Category 2 Capital Goods	126	44	10	16	12	31	13
	Category 3 Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	26	6	4	2	1	12	1
	Category 4 Upstream Transportation and Distribution	33	2	12	4	6	4	6
	Category 5 Waste Generated in Operations	1	0	0	0	0	0	0
	Category 6 Business Travel	2	1	0	1	0	0	0
	Category 7 Employee Commuting	10	6	1	1	0	2	1
	Category 8 Upstream Leased Assets	-	-	-	-	-	-	-
	Category 9 Downstream Transportation and Distribution	-	-	-	-	-	-	-
	Category 10 Processing of Sold Products	0	0	0	0	0	0	0
	Category 11 Use of Sold Products	-	-	-	-	-	-	-
	Category 12 End-of-Life Treatment of Sold Products	62	3	6	4	11	17	21
	Category 13 Downstream Leased Assets	-	-	-	-	-	-	-
	Category 14 Franchises	-	-	-	-	-	-	-
	Category 15 Investments	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-
Scope 3 Total		588	152	56	39	48	159	134
Scope 1, 2, and 3 Total		827	189	82	54	62	288	150

* Calculated using the YKK Group GHG calculation rules (CO₂ conversion factor fluctuation of electricity) and the Scope 3 calculation method noted later

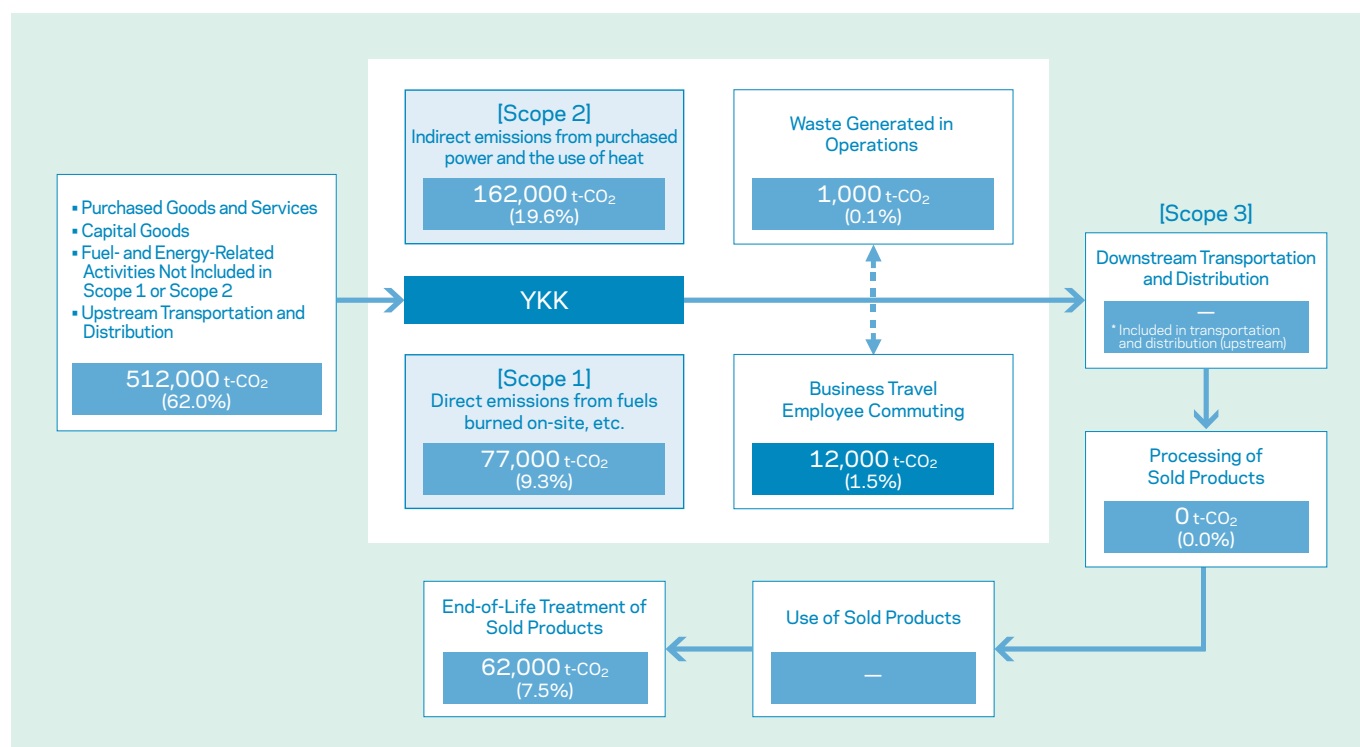
Scope 3 calculation method (amount of activity x emission intensity)

Categories		Calculation method	
		Amount of activity	Emission intensity
Category 1	Purchased Goods and Services	Weight of purchased raw materials	Intensity database (*1, *3)
Category 2	Capital Goods	Equipment investment value of capital goods	Intensity database (*1)
Category 3	Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	Amount of energy (electricity and fuel) consumption	Intensity database (*1, *2)
Category 4	Upstream Transportation and Distribution	Cargo owner's procurement ton-kilometers	Intensity database (*1, *2)
Category 5	Waste Generated in Operations	Amount of processed waste materials per type	Intensity database (*1, *2)
Category 6	Business Travel	Transportation allowance per transportation means	Intensity database (*1)
Category 7	Employee Commuting	Transportation allowance per transportation means	Intensity database (*1, *2)
Category 8	Upstream Leased Assets	We excluded emissions associated with the operation of the leased assets because they were included in Scope 1+2.	
Category 9	Downstream Transportation and Distribution	We excluded it because we included it in category 4 as the product is shipped directly to the customer.	
Category 10	Processing of Sold Products	Amount of production (duration and number of pieces)	Intensity per amount of production in YKK processing process
Category 11	Use of Sold Products	We excluded this because there are no use-stage emissions from the products we sold.	
Category 12	End-of-Life Treatment of Sold Products	Amount of production (weight)	Intensity database (*1, *3)
Category 13	Downstream Leased Assets	We excluded this because we do not lease to others.	
Category 14	Franchises	We excluded this because we do not preside over franchises.	
Category 15	Investments	We excluded this because we are neither an investment business, nor a financial services provider.	
	Other	We excluded this because it is optional.	

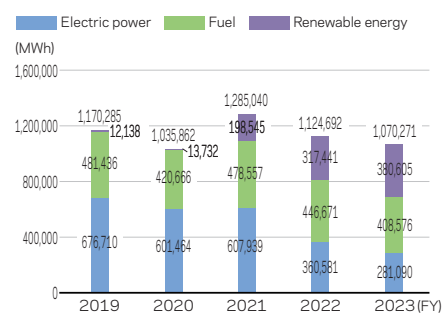
*1 "Emission Intensity Database for Calculating Greenhouse Gas Emissions for Organizations through Supply Chains (Ver. 3.1)"

*2 "LCI Database IDEAv2 (for Calculating Greenhouse Gas Emissions for Supply Chains)"

*3 "GaBi Database"

CO₂ emissions in supply chains (FY2023 results)

Changes in energy consumption



Unit: MWh

		2019	2020	2021	2022	2023
Electric power	Japan	110,850	90,237	110,204	56,495	53,843
	Americas	77,059	59,665	61,838	61,257	49,250
	Europe	27,551	24,698	22,305	7,855	4,904
	ISAMEA	52,932	45,634	62,408	30,857	12,035
	ASEAN	252,400	235,036	214,545	201,355	160,586
	China	155,918	146,194	136,640	2,761	472
Fuel	Japan	50,677	40,471	45,280	45,659	44,903
	Americas	62,365	45,111	59,957	54,854	50,596
	Europe	90,082	83,513	90,722	91,715	76,802
	ISAMEA	56,973	32,765	47,799	45,041	39,044
	ASEAN	135,732	123,922	130,187	125,067	111,903
	China	85,608	94,883	104,611	84,334	85,329
Renewable energy	Japan	327	244	7,878	49,894	47,934
	Americas	6,441	7,835	13,075	9,334	9,214
	Europe	4,786	5,169	22,358	22,254	22,095
	ISAMEA	278	183	53,948	33,036	68,008
	ASEAN	202	183	51,856	61,205	80,640
	China	104	119	49,431	141,718	152,713

* The graphs and tables have been created based on the combination of electricity, fuel, and renewable energy. Fuel is the sum of A heavy fuel, kerosene, LPG, LNG, town gas, natural gas, diesel oil, gasoline, coal, and steam. 3.6MJ/kWh was used as the coefficient for thermal conversion.

COLUMN

YKK Selected for CDP Climate Change Highest “A List” Rating for First Time



In FY2023, YKK was selected for the first time as an “A List” company, the highest rating, in a study on climate change conducted by the international environmental non-profit organization CDP*. To fulfill the YKK Sustainability Vision 2050, our sustainability goals for achieving climate neutrality by 2050, we have promoted various measures related to energy conservation and the introduction of renewable energy, and have increased the transparency of information disclosure by disclosing data on GHG emissions that have been verified by third parties. We are also making company-wide efforts to strengthen engagement with our customers and suppliers to reduce GHG emissions. We believe that YKK was selected because these efforts and our transparent information disclosure were highly rated. We will continue to work actively to reduce GHG emissions and our environmental impact throughout value chains, so that we can continue to earn high ratings in the future.

* An international non-profit organization with a system to disclose environmental information by companies and local governments. CDP is leading the way in corporate environmental information disclosure and environmental protection activities.

Accelerating the Introduction of Solar Power Generation Systems Around the World



YKK Vietnam Co., Ltd. Ha Nam Plant



YKK MEDITERRANEO S.P.A.

YKK is actively adopting solar power generation systems worldwide, toward the goal of achieving climate neutrality by 2050. The systems have generated 16,483 kW of solar power through operations up to this point, marking more than a tenfold increase in comparison to FY2018. Furthermore, in FY2023, we launched new solar power generation systems at ten locations around the world.

- YKK Vietnam Co., Ltd. Ha Nam Plant
4,080 kW (projected annual power generated: 3,884MWh CO₂ emissions: 3,110 metric tons)
- YKK (SHENZHEN) TRADING CO., LTD.
2,063 kW (projected annual power generated: 2,063MWh CO₂ emissions: 1,355 metric tons)
- YKK MEDITERRANEO S.P.A.
1,199 kW (projected annual power generated: 1,578MWh CO₂ emissions: 780 metric tons)
and others

YKK Adopts Low-Carbon Aluminum for Use in Zippers

YKK is working to boost the adoption of reusable and plant-based textile materials for use in zippers, and to reduce GHG emissions through measures such as switching to eco-friendly products. Starting in FY2024, YKK started an initiative that aims to make a staged transition from conventional aluminum alloy zippers to eco-friendly zippers which use low-carbon aluminum*.

YKK is striving to reduce its Scope 3 GHG emissions across supply chains by 30% (compared to FY2018). YKK, together with aluminum material manufacturers Sumitomo Electric Industries, Ltd. and Sumitomo Electric Toyama Co., Ltd., agreed to a contract pertaining to the use of low-carbon aluminum. Beginning in FY2024, YKK will begin purchasing low-carbon aluminum alloy wires for use as materials in aluminum alloy zippers, and gradually expand their application as part of efforts to achieve our reduction targets for Scope 3 emissions.

* Low-carbon aluminum: The emissions of the low-carbon aluminum to be used for this initiative will be less than 4 metric tons of CO₂ per ton of aluminum ingots produced, owing to their reliance on renewable energy as the power source. This significantly reduces CO₂ emissions in comparison to materials which use fossil fuel-based electricity sources, such as thermal power generation.

* Refer to the press release for details (https://www.ykk.com/newsroom/g_news/2024/20240327.html).

[Reference] Information Disclosure Based on TCFD Recommendations

Since the adoption of the Paris Agreement in December 2015, there has been more and more momentum to evaluate the impact climate change has on business activities worldwide. Within this business climate, the TCFD announced its recommendations in June 2017, which YKK signed onto as a supporter in September 2019.

YKK evaluates and strives to incorporate the impact climate change may have on its business activities into its business strategies according to the TCFD recommendations.

■ Governance

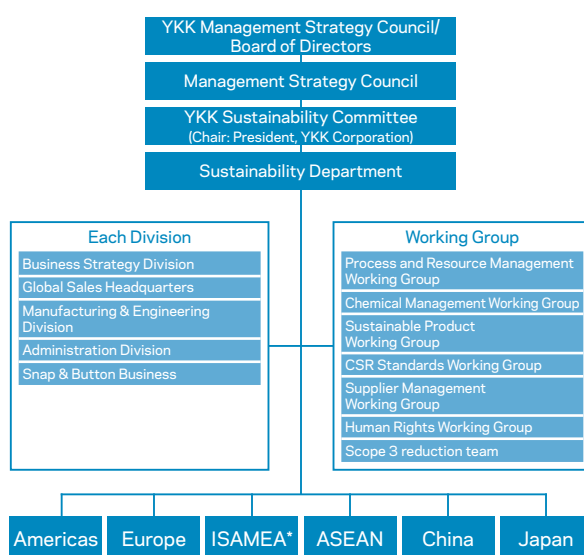
The YKK corporate governance system essentially consists of the Board of Directors, which carries out decision-making and supervisory functions related to management policies and other important matters, and the Audit & Supervisory Board, which carries out auditing functions. We have also introduced an officer system to promote business execution. In addition to regular meetings held once a month, the Board of Directors holds extraordinary meetings as necessary to discuss and make decisions on business plans, organizations, and risk management, as well as other important management matters. It receives reports and supervises the progress of the business execution of each Group company, as well.

The Sustainability Committee, launched as an advisory body for the Board of Directors, discusses and promotes management policies and strategies related to sustainability, such as climate change. The president serves as chair of the Committee.

At the Sustainability Committee, the president serving as chair formulates sustainability policies and strategies and works to build global sustainability promotion systems. Through these policies, strategies, and global sustainability promotion systems, the Sustainability Committee makes final decisions about how to respond to climate change and other sustainability issues. We have established seven expert subcommittees under the Sustainability Committee to take the lead on formulating and promoting specific action plans for each of these challenges. For example, the Process and Resource Management Expert Subcommittee evaluates and executes the development and adoption of manufacturing equipment that will help reduce GHG emissions. The Sustainable Product Expert Subcommittee deliberates on and approves policies on the development of products using sustainable materials.

To promote these sustainability policies and specific action plans globally, YKK has set up sustainability committees in each of the six regions where it does business around the world. The regional sustainability committees disseminate the Sustainability Committee's policies to each region, then report the results of the action plans in each region back to the Sustainability Committee in Japan. The president who serves as chair of the Sustainability Committee in Japan monitors and deliberates on the progress of action plans from these regional reports. In addition, the President supervises and provides guidance for strategy revisions and improvement measures with the aim of achieving sustainability targets.

Sustainability Promotion Structure



* India/South Asia/Middle East/Africa

Strategy

YKK identifies and evaluates major risks and opportunities for these businesses related to climate change according to the TCFD recommendations.

Type		Financial impact on business	Response
Transition risk	Current regulation	The YKK Headquarters is already complying with the carbon tax in Japan. Although the carbon tax in Japan is low and has a relatively small impact, there are risks of higher operation costs of YKK plants and the YKK buildings if the carbon tax rises in the future.	In FY2021, we introduced an internal carbon pricing system and have been actively working to invest in facilities and equipment which will lead to reduced GHG emissions, such as solar power generation systems and energy-saving manufacturing facilities and infrastructure.
	New regulation	The EU Plastics Strategy may raise production costs due to its new rules that require the use of recycled plastics. We may also see cost go up in order to support the shift to renewable energy happening in each nation around the world, such as the purchase of equipment and green power. These are some risks that may reduce revenue.	Therefore, we will strive to broaden sales of products using recycled plastics to improve profitability as well as develop technologies to reduce manufacturing costs. In addition, YKK Headquarters and subsidiary companies research and collect information on regulatory reinforcements in advance and implement measures to deal with them.
	Technology	A delay in our response to advanced technologies to combat climate change could make YKK businesses less competitive, while inaccurate forecasts of demand could make capital investments fail. These are some risks that could impact revenue.	Therefore, we will respond through action that includes verifying the progress of main development themes on a monthly basis and clarifying rules in writing about processes such as methods to calculate the effectiveness of capital investment plans as well as discretionary and approval processes.
	Market	There is also the risk of losing sales opportunities if YKK products and manufacturing processes cannot satisfy the environmental requirements of customers or the environmental regulations of each government. Specifically, the garment industry is said to be just behind the oil industry in CO ₂ emissions, which could impact sales if YKK products do not comply with customer requirements and environmental regulations.	YKK will develop and manufacture products based on the climate-related action of each nation and organization as well as the product preferences of consumers. We will also develop products by anticipating the medium to long-term outlook of environmental action while further supporting evaluations of our impact on the environment and compliance with the regulations in each country.
		A rise in the average temperature has the potential to decrease demand for winter clothing, which in turn would impact the sales of YKK fastening products.	We will respond through market analyses, accurate prior supplementation of consumer demand, and various other measures.
	Reputation	A delay in climate change-related initiatives comes with the risk of harming the reputation of YKK with its main sustainability-oriented customers worldwide. In addition, setting forth goals and visions without actual substance could be perceived as “greenwashing.”	We formulated and announced the YKK Sustainability Vision 2050 and have laid out and are engaging in specific initiatives to reduce GHG emissions and increase the use of renewable energy. Each year, we disclose their progress on our website.
Physical risk	Acute	There is also the risk of harmful effects on health and the environment around our factories in the event hazardous chemical substances leak from YKK manufacturing bases damaged by more frequent and severe flooding due to the rising global temperature.	We see flood damage as one major risk that would have a severe impact on corporate management. Guidelines were formulated in FY2020 to clarify policies to minimize this damage. These guidelines primarily pertain to Japan. With reference to local hazard maps, the policies define flooding, evacuation, and other soft measures to carry out in order to reduce and prevent damage to any facilities in flood zones.
	Chronic	There are also risks of declining profits due to higher air conditioning costs at YKK plants and skyrocketing raw material prices driven by the rising average temperature worldwide.	Therefore, YKK is developing technology to reduce manufacturing costs as well as running costs through the introduction of energy-saving air-conditioning systems. We will also strive to build systems that can always secure raw materials and resources at the right price in the right amount while keeping an eye on trends in the global economy.
Opportunity	Products and services	By expanding sales of products that use recycled materials and help contribute to the reduction of GHG emissions in other ways, we will contribute to solutions to the climate-related issues of our customers and can expect higher sales.	In the YKK Sustainability Vision 2050, we have set the goal of switching to 100% sustainable materials (recycled materials, naturally derived materials, etc.) for textile materials used in fastening products by 2030, and are expanding product design and development using recycled polyester materials made from PET bottles and textile waste. We are also promoting step-by-step sales expansion for a wide range of applications, including garments, bags, and automotive parts. We also engage in various dialogues to solve various issues by disclosing information to customers using CDP and industry standards in addition to sharing our activities. Trials for switching products to recycled materials as well as efforts to establish a system for product LCA disclosure are underway.
	Energy source	YKK can expand product sales by proactively adopting renewable energy and meeting customer demands.	We have set the goal of switching over to electricity that is 100% based on renewable energy sources by FY2030. To achieve that goal, we are working to expand the rate of renewable energy use by actively pushing forward with the installation of solar power panels at company locations and signing contracts for renewable energy offerings and PPA contracts with electricity companies, as well as purchasing renewable energy electricity certificates from them.

■ Risk Management

At YKK, risks are identified by each organization. After worst-case scenarios and the status of their responses are taken into account, we assess risks according to the scale of loss and damage and the frequency of occurrence. We evaluate the scale of damage by taking into account the financial impact, impact on human life and health, impact on credit and reputation, and impact on social order. We identify those risks with large potential impact as key risks that should be managed at the corporate management level.

We also incorporate climate-related risks into the Group-wide risk assessment and management process to anticipate not only the short and medium-term but also the long-term impact (up to about 2030). The impact of torrential rains due to physical risks and the rising temperature in particular could flood YKK plant facilities and stop supplier operations. We have formulated a Business Continuity Plan (BCP) in an effort to reduce and prevent these risks.

* See page 45 for the Risk Assessment Process and the Flow of Identifying Key Risks (conceptual diagram).

■ Metrics and Targets

At YKK, we aim to become climate neutral (net zero emissions) by FY2050. Therefore, we have set targets to reduce CO₂ and other GHG emissions from our company and our supply chains. In addition, these targets have been certified by the Science Based Targets initiative (SBTi). We have disclosed our progress in the Integrated Report.

Metric		Target
Scope 1+2	Reduction of direct CO ₂ emissions	50% reduction by FY2030 (compared to FY2018)
Scope 3	Reduction of indirect CO ₂ emissions from supply chains	30% reduction by FY2030 (compared to FY2018)

* See page 12 for the actual Scope 1, 2, and 3 CO₂ emissions.

Material Resources

Fundamental Approach

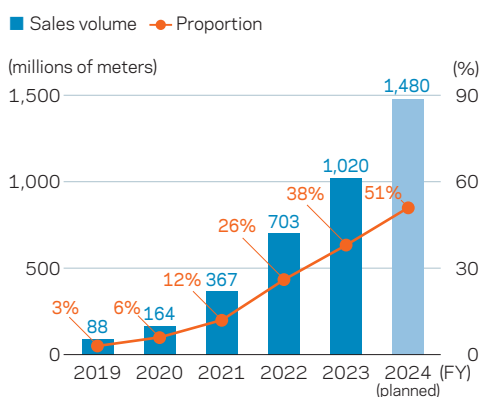
Resources are crucial for *monozukuri* (manufacturing) companies, but the amount available is limited. In order to conduct sustainable business management, YKK is promoting efforts to achieve a circular economy. For example, we proactively research the use of recycled materials and plant-based materials and adopt and provide them in an aim to reduce waste throughout the lifecycle of our products. Meanwhile, we strive to recycle any generated waste materials as much as possible and to reduce the amount of waste that ends up in landfills.

FY2023 Initiatives

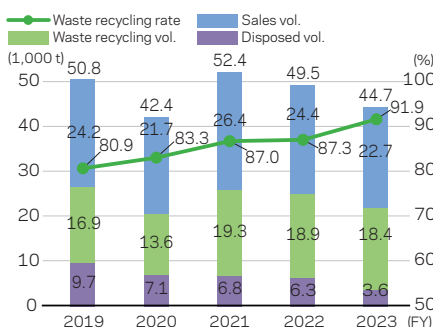
In the YKK Sustainability Vision 2050, YKK has set the target of increasing the recycling rate to 90% by 2030. In FY2023, we conducted activities aimed at achieving a waste recycling rate of 88% or more. Thoroughly separating waste materials and strengthening reuse at each of our operating companies and improved waste processing technology in the Asia Region, and other factors, combined to result in a recycling rate of 91.9%, greatly exceeding the target. The amount of waste was also reduced 86.6% compared to FY2018. In response, we have updated our target to “maintaining a waste recycling rate of 90% or more” from FY2024. As the world shows increasing interest in a circular economy, YKK is moving forward with efforts to recycle and reuse resources and reduce waste.

* According to the definition of “recycling” under Japanese Law. Includes material recycling and thermal recovery.

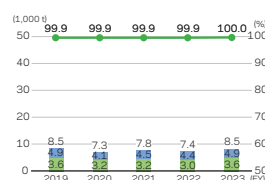
Volume and Proportion of Sustainable Materials Sales



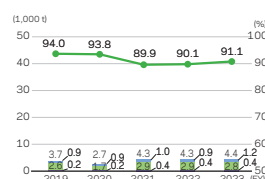
Changes in Waste Emissions/Waste Recycling Rates



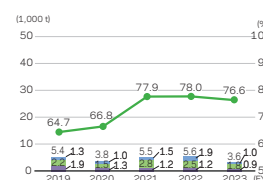
Japan



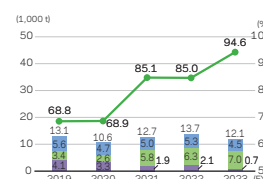
ISAMEA



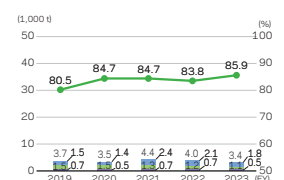
Americas



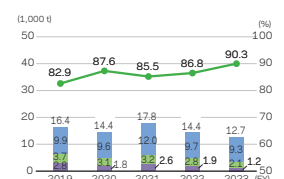
ASEAN



Europe



China



COLUMN

Switching to Sustainable Packaging Materials



For the “material resources” theme laid out in the YKK Sustainability Vision 2050, YKK has set a target of transitioning to a sustainable model by 2030 by replacing all vinyl/plastic packaging materials with sustainable packaging, including recyclable/reusable forms. We are moving forward with the switch to eco-friendly materials for packaging cardboard as well. In FY2023, we changed the main outer packaging cardboard for fastening products at the YKK JAPAN Company (Kurobe Manufacturing Center) to packaging which uses paper certified by the Forest Stewardship Council® (FSC®).

* The Forest Stewardship Council® (FSC®) is a global, not-for-profit organization dedicated to the promotion of responsible forest management worldwide.

License number: FSC®-C192280

Water Resources

Fundamental Approach

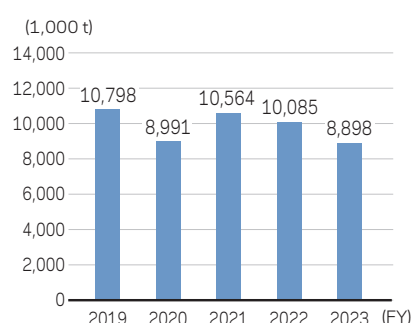
We believe that water resources are indispensable for all living things, including human beings, and are an important shared property of the community. As members that are active in the community, each YKK location is protecting water resources by reducing the amount they use, minimizing environmental impact through management that uses stricter wastewater standards than the legally mandated standards, and striving for sustainable water use in the community.

FY2023 Initiatives

Our work to achieve our environmental targets in FY2023 reduced the water intake 2% compared to the previous year. Our global water intake for FY2023 was 8,898,000 metric tons. This was a reduction of 13.1% (compared to the previous year), greatly surpassing our target. We also reviewed the water risk checklist we created in FY2019, based on recent requirements, and conducted water risk surveys at each of our manufacturing sites.

In addition, to strengthen wastewater management and to enhance staff awareness of environmental compliance, we provided wastewater treatment technical support by specialists at 12 overseas locations. We have also decided to move forward with wastewater management in accordance with the standards of the ZDHC Wastewater Guidelines, which serve as wastewater guidelines for the garment industry.

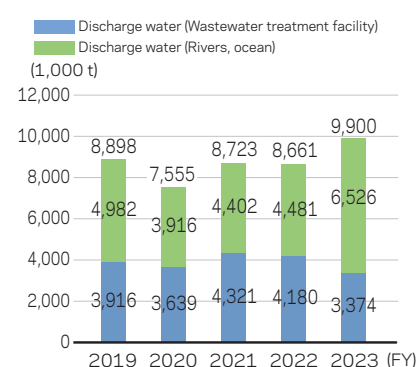
Changes in Intake Water (Total Amount)



Unit: 1,000 t

	2019	2020	2021	2022	2023
Japan	3,260	2,565	3,096	3,402	2,786
Americas	768	574	732	679	615
Europe	763	655	779	728	575
ISAMEA	856	638	927	1,058	1,043
ASEAN	3,325	2,957	3,126	2,693	2,322
China	1,826	1,602	1,904	1,525	1,557

Changes in Discharge Water (Total Amount)



Discharge water (Wastewater treatment facility)

Unit: 1,000 t

	2019	2020	2021	2022	2023
Japan	27	20	25	38	38
Americas	645	490	580	499	476
Europe	381	366	446	446	373
ISAMEA	317	222	492	343	116
ASEAN	997	1,112	1,197	1,276	1,117
China	1,549	1,429	1,581	1,243	1,254

Discharge water (Rivers, ocean)

Unit: 1,000 t

	2019	2020	2021	2022	2023
Japan	3,223	2,944	2,901	3,377	5,303
Americas	115	47	90	92	71
Europe	191	139	150	130	93
ISAMEA	59	47	205	409	328
ASEAN	1,394	739	1,056	808	731
China	0	0	0	0	0

* Revised data between 2019 to 2021, including that aggregated for office locations

COLUMN

Dealing with Regional Water Risks



Water collection using the plant rooftop
(YKK Southern Africa (Pty) Ltd.)

The amount of usable water and quality of water varies by region. In addition, recent climate change has caused heavy rainfall, floods, and droughts, and population growth and economic development in emerging countries have brought water problems (water risks)—such as access to safe drinking water and water shortages due to increased demand for food—to the surface.

In order to use water carefully, which is an important asset for the community, YKK has been conducting water risk assessments at each of its locations once a year since 2019. We conduct water risk assessments using the results of the Aqueduct (provided by the World Resources Institute) and Water Risk Filter (provided by the World Wide Fund for Nature) water risk assessment tools, as well as our own checklists composed of questions to confirm the status of our locations. In our FY2023 assessments, six locations were evaluated as having somewhat high water risks, and we plan to promote water use and carry out contribution activities based on regional targets. Even at locations with low water risks, we are striving for sustainable water use in those regions by reducing water consumption through the introduction of low-water-use manufacturing equipment and water recycling facilities, and by conducting emergency response training at least once a year for wastewater and chemical substance leak incidents.

Chemical Management

Fundamental Approach

YKK works to maintain manufacturing and product safety through proper understanding and management of chemical substances related to fastening products and minimize human exposure and environmental impacts by reducing the usage of chemical substances. We comply with laws, regulations, and agreements and also take action to mitigate environmental risks, such as by preserving the local environment including land, ground water, air, and water, and are taking steps to prevent environmental accidents before they occur.

FY2023 Initiatives

In FY2023, we switched from per- and polyfluoroalkyl substances (PFAS) to alternative materials wherever possible in cooperation with the manufacturing and development divisions, and conducted a survey of 1,663 suppliers regarding their compliance with the YKK Restricted Substance List (RSL), which takes into account chemical substance regulations, laws, and industry standards related to fastening products. We have revised the YKK RSL to create the 2024 version, based on social and customer needs, and we continue to inform suppliers and conduct compliance surveys.

In order for our workers to be able to carry out their duties with peace of mind, at our manufacturing sites in Japan, we have appointed chemical substance managers who have undergone specialized training, as well as managers who are responsible for the wearing of protective equipment at each manufacturing process unit. We have also strengthened the operational system for chemical management at manufacturing sites. We will continue to develop chemical management education for workers who actually handle chemical substances on a global scale.

COLUMN

ZDHC Roadmap to Zero Program for Eliminating the Use of Hazardous Chemical Substances

YKK believes it is important not only to eliminate the use of hazardous chemical substances that have the potential to be used in the final fastening products but also the hazardous chemical substances with the potential to be used in production activities or emitted into the environment.

We have introduced the Roadmap to Zero Program that advocates Zero Discharge of Hazardous Chemicals (ZDHC) as an industrial federation with participants ranging from brands to participants throughout the fashion industry. YKK is using this program to promote the development of new manufacturing technologies that do not use hazardous chemical substances and the transition to safer chemical substances in production activities.

In FY2023, we expanded the disclosure of our level of compliance with the Manufacturing Restricted Substances List (MRSL) for the chemical substances used in our production processes using the ZDHC Gateway, a chemical usage information platform for the fashion industry which is shared with brands, chemical makers, and suppliers. These activities promote a switch to safer chemical substances and work to engage in manufacturing that minimizes their impact on the natural environment and people.

Biodiversity

Fundamental Approach

Ecosystems of many different organisms support the life of people. YKK believes that our most precious stakeholder is nature and strives to become a company that can coexist and prosper together with nature. We promote planting, cleaning, and other initiatives that work to enrich these ecosystems, in addition to other conservation efforts that include thorough chemical substance management and reducing our environmental impact.

FY2023 Initiatives

In order to expand our activities for bringing about a society that coexists with nature, we revised the YKK Sustainability Vision 2050, which was formulated in 2019, to include the keyword “coexistence with nature.”

As a concrete example of biodiversity conservation activities, we have created the Furusato-no-Mori (Hometown Forest) at the YKK Center Park within the YKK Kurobe Manufacturing Center. YKK MEDITERRANEO S.P.A. protects outdoor gardens where endangered wild orchids grow and conducts activities to raise employee awareness about coexistence with nature. Furthermore, we have continued to conduct tree planting and clean-up activities worldwide. Fourteen locations planted a total of 167 trees, while four locations took part in clean-up activities.

Main Ecosystem Conservation Activities (FY2023)

Activity details	Activity location	Number of implementing locations	Objective
Tree-planting activities	Around the factory	9 (Total 48 trees)	Absorption of GHGs by plants and maintenance of the ecosystem
	Community (parks, etc.)	5 (Total 119 trees)	
Clean-up activities	Around the factory	4	Maintenance of the ecosystem through removal of waste
Biodiversity conservation activities	Inside the factory	2	Protection of living organisms that are subject to national or regional protection
Water resource protection activities	Inside the factory	1	Improving soil's water absorption ability

COLUMN

YKK Center Park's Furusato-no-Mori (Hometown Forest) Designated as a Nature Coexistence Site



Furusato-no-Mori and Furusato-no-Mizube, which were recognized as a Nature Coexistence Site



Kurobe City in Toyama Prefecture—where YKK situates its manufacturing and development locations—is a beautiful city, rich with nature. However, in response to the loss of nature caused by urbanization and other factors, we began forestation efforts in 2006, utilizing a former factory site to recreate the original landscape of Kurobe and to realize the ideal of a “Factory in a Forest” as envisioned by Tadao Yoshida, founder of YKK. In order to conserve the genes of local organisms, we raised seedlings from seeds collected from nearby mountains and fields to plant 20,000 trees from 20 species. Furusato-no-Mori has been open to the public since 2009 as YKK Center Park, integrated with industrial tourism facilities. As the forest has grown, it currently attracts approximately 370 different species (including endangered species). We also use the forest to provide environmental education for children, who will be responsible for the next generation. Based on these activities, in October 2023, Furusato-no-Mori was designated for the first time as a Nature Coexistence Site, a system under which the Japanese Ministry of the Environment certifies areas conserved by the private sector and others that contribute to achieving the international biodiversity goal of “30 by 30.”

Environmental Contribution Activities

Fundamental Approach

Under founder Tadao Yoshida's philosophy of "becoming part of the local community," YKK keeps in mind achieving prosperity together with the community, and places value on the connection with the local community as a member of society. Each business site conducts cleaning activities and other environmental contribution activities based on that thinking. In addition, we believe that teaching the children who are the next generation is crucial to solving environmental issues, so we host environmental learning at many business sites.

FY2023 Initiatives

As an environmental contribution activity aiming to coexist with the community, YKK takes part in a wide range of activities. This includes clean-up activities around our plants at locations around the world, environmental education for the local children, and participation in other local events.

At the YKK Kurobe Manufacturing Center, we held an environmental education program for elementary school students to make tree boards and pick up seeds from the trees in Furusato-no-Mori, with the belief that it is essential to educate the children who will lead the next generation.

COLUMN

"What's This Tree? Let's Make Name Boards for Trees!"



Making name boards for trees



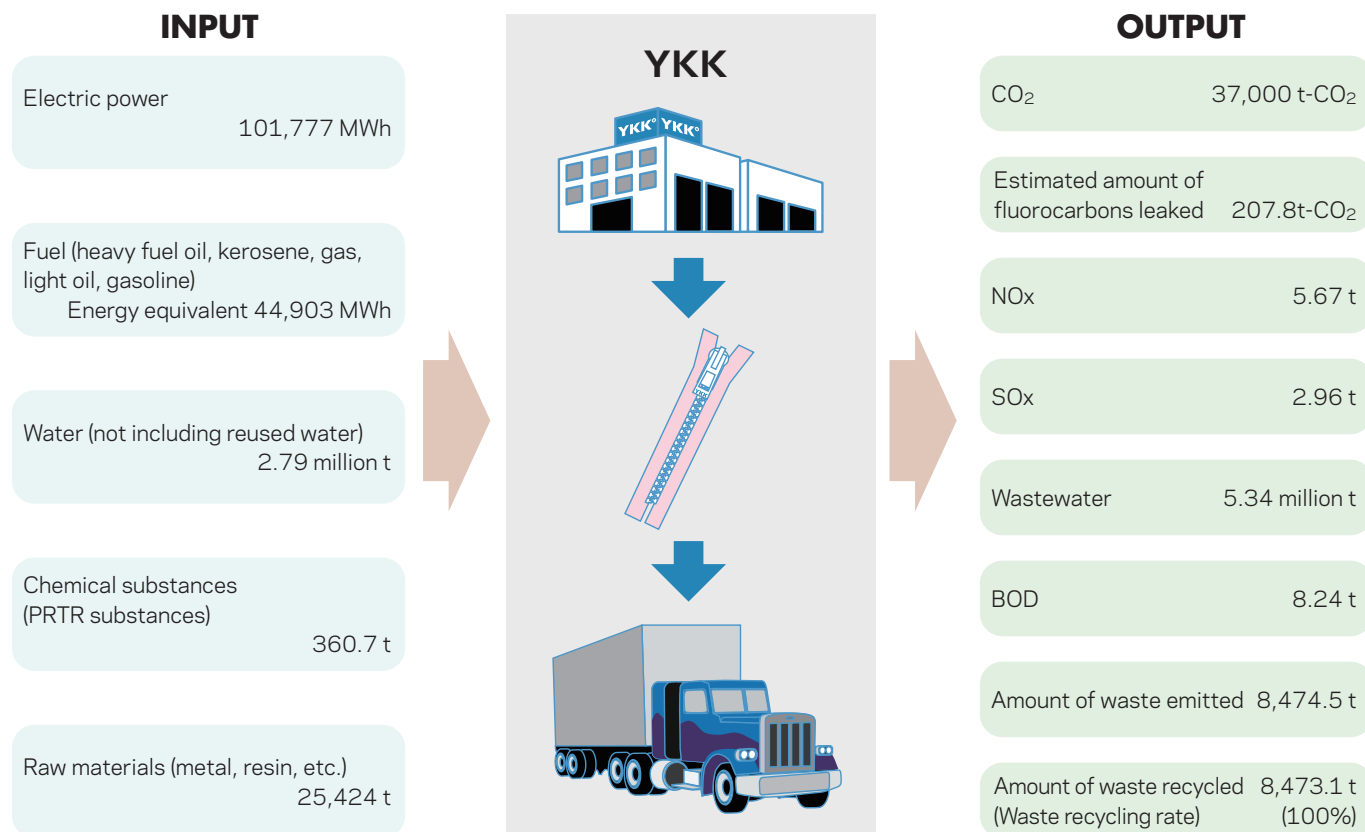
A name board placed on a tree

On November 23, 2023, we held an event at Furusato-no-Mori within the YKK Kurobe Manufacturing Center to make name boards for trees. The event, for elementary schoolers from 1st through 6th grade, was to make participants familiar with nature and experience what makes trees interesting at Furusato-no-Mori.

We hope to promote education for the children of the community in an even better environment, with the aim of having them develop an attachment to Furusato-no-Mori and the newly expanding forest and become fans of the place.

[Reference] Fastening Business and Other Businesses Related to Business Operations (Japan)

Environmental impact mass-balance (FY2023 results)



■ Violations of Environmental Laws and Regulations

We have not had any administrative actions or fines imposed related to environmental laws and regulations in the past five years.

YKK Corporation and YKK Snap Fasteners (YSF) Co., Ltd. status of compliance (results)

Air Pollution Control Act: Exhaust gas (Production sites in Japan, FY2023 results)

Equipment	Plant	Soot and dust (g/Nm ³)					Nitrogen oxide (ppm)				
		National emissions standard	Municipal agreed value	Highest value measured in FY2023	Assessment	(Reference) Voluntary emissions standard	National emissions standard	Municipal agreed value	Highest value measured in FY2023	Assessment	(Reference) Voluntary emissions standard
Boilers	YKK Corporation	-	-	0.02	Acceptable	-	180	-	90	Acceptable	90
	YSF	-	-	-	-	-	-	-	-	-	-

Water Pollution Prevention Act: Wastewater (Production sites in Japan, FY2023 results)

Unit: mg/l (except pH)

Item	Plant	National emissions standard	Prefectural water emissions standard	Municipal agreed value	Highest value measured in FY2023	Assessment	(Reference) Voluntary management standard
pH	YKK Corporation	5.8 - 8.6* ¹	5.8 - 8.6* ¹	5.8 - 8.6	Min.: 6.6 Max.: 7.4	Acceptable	6.0 - 8.4
	YSF	-* ²	-	5.0 - 9.0* ²	Min.: 6.9 Max.: 7.6	Acceptable	5.2 - 8.8
BOD	YKK Corporation	120* ¹	15	15	2.9	Acceptable	5
	YSF	-	-	600	97.7	Acceptable	200
COD	YKK Corporation	-	-	-	6.4	Acceptable	-
	YSF	-	-	-	-	Acceptable	-
Suspended solids	YKK Corporation	150	90	50	18.0	Acceptable	10
	YSF	-	-	600	22.0	Acceptable	120
Oil	YKK Corporation	5	-	3	Below 0.5	Acceptable	1
	YSF	-	-	35	25.4	Acceptable	18
Cyanide	YKK Corporation	1	-	0.1	0.01	Acceptable	0.02
Hexavalent chromium compound	YKK Corporation	2	-	0.1	Below 0.02	Acceptable	0.03

*1: Standards for discharge into rivers

*2: Discharge into sewers

Water Pollution Prevention Act: Groundwater (Production sites in Japan, FY2023 results)

	Substance	Unit	Environmental standard*	Measurement results for FY2023	Assessment
Volatile organic compounds	Dichloromethane	mg/l	0.02 or less	Below 0.002	Acceptable
	Carbon tetrachloride	mg/l	0.002 or less	Below 0.0002	Acceptable
	1,1-Dichloroethylene	mg/l	0.1 or less	Below 0.002	Acceptable
	Cis-1,2-Dichloroethylene	mg/l	0.04 or less	Below 0.004	Acceptable
	1,1,1-Trichloroethane	mg/l	1 or less	Below 0.001	Acceptable
	Trichloroethylene	mg/l	0.01 or less	Below 0.001	Acceptable
	Tetrachloroethylene	mg/l	0.01 or less	Below 0.001	Acceptable
Heavy metals	Cadmium	mg/l	0.003 or less	Below 0.003	Acceptable
	Cyanide	mg/l	Not detected	Below 0.1	Acceptable
	Lead	mg/l	0.01 or less	Below 0.005	Acceptable
	Hexavalent chromium	mg/l	0.05 or less	Below 0.02	Acceptable
	Selenium	mg/l	0.01 or less	Below 0.001	Acceptable
	Fluorine	mg/l	0.8 or less	0.9	Not acceptable
	Boron	mg/l	1 or less	0.02	Acceptable

* Environmental standard: Keeping the amount below this standard is desirable for protection of human health and preservation of the living environment.

In August 2023, we discovered a leak of wastewater containing fluorine from the drainage channel of manufacturing machinery at the Kurobe Makino Plant in Kurobe City, Toyama Prefecture, and reported the leak to the government.

Since discovering the leak, we have taken measures to prevent leakage and monitored the groundwater to confirm that contamination has not spread outside the site. However, because groundwater standards were exceeded at the property line in March 2024, we reported it to the government and have been taking measures to deal with the matter. Since then, groundwater standards have not been exceeded at the property line or in adjacent wells. We will continue to monitor groundwater in the future.

Noise Regulation Act: Noise (Production sites in Japan, FY2023 results)

Unit: db

Plant	Category	Prefectural standard	Municipal agreement on pollution control	Highest value measured in FY2023	Assessment	(Reference) Voluntary standards
YKK Corporation	Daytime (8:00 A.M. to 7:00 P.M.)	70	60	58	Acceptable	60
YKK Corporation	Morning (6:00 A.M. to 8:00 A.M.) Evening (7:00 P.M. to 10:00 P.M.)	65	65	52	Acceptable	65
YKK Corporation	Late night (10:00 P.M. to 6:00 A.M.)	63	63	55	Acceptable	63
YSF	Daytime (8:00 A.M. to 7:00 P.M.)	70	70	64.4	Acceptable	70
YSF	Morning (6:00 A.M. to 8:00 A.M.) Evening (7:00 P.M. to 10:00 P.M.)	65	65	64.4	Acceptable	65
YSF	Late night (10:00 P.M. to 6:00 A.M.)	60	60	-	Acceptable	60

PRTR method: PRTR calculations (Production sites in Japan, FY2023 results)

Unit: t

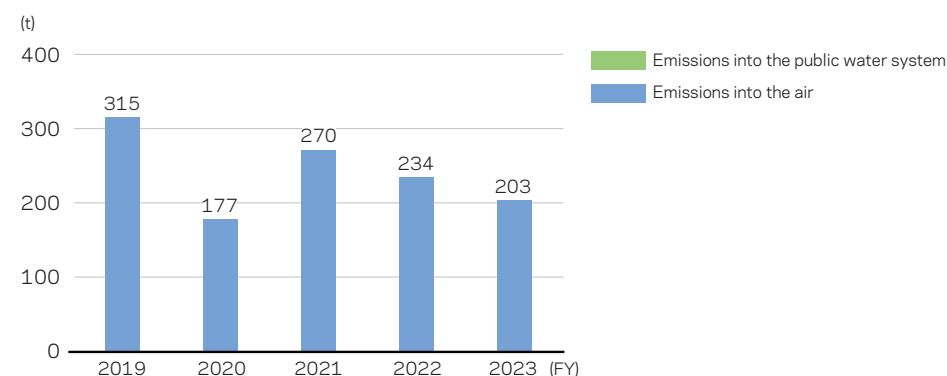
Substance number	Substance	Volume handled	Emissions				Transformed amount	Transfer amount		Consumption
			Atmospheric emissions	Public water emissions	Soil emissions	Landfill volume		Waste materials	Sewage	
1	Zinc compounds (water-soluble)	1.33	Below 0.01	Below 0.01	-	-	Below 0.01	Below 0.01	-	1.33
53	Ethylbenzene	2.36	2.28	0.00	-	-	0.00	Below 0.02	-	Below 0.01
80	Xylene	28.78	5.28	0.00	-	-	2.19	0.35	-	1.60
144	Inorganic cyanide compounds	15.99	0.03	Below 0.02	-	-	3.39	13.49	-	0.19
232	N,N-Dimethylformamide	124.32	124.32	0.00	-	-	0.00	0.00	-	Below 0.01
300	Toluene	44.72	40.26	0.00	-	-	0.14	1.83	-	Below 0.01
308	Nickel	49.55	0.14	Below 0.01	-	-	0.00	4.41	-	44.09
412	Manganese and manganese compounds	59.55	0.00	0.00	-	-	0.00	0.00	-	54.79
438	Methylnaphthalene	22.86	22.86	0.00	-	-	0.00	0.00	-	0.00
594	Ethylene glycol monobutyl ether	2.82	2.60	0.00	-	-	0.21	0.00	-	0.00
691	Trimethylbenzene	6.00	3.02	0.00	-	-	2.98	Below 0.01	-	0.00
737	Methyl isobutyl ketone	2.42	2.42	0.00	-	-	0.00	0.00	-	0.00

* Aggregated substances of which we handle 1 t or more (0.5 t or more per year for Class 1 Designated Chemical Substances) per year at our domestic production locations

* Consumed: The amount consumed as raw materials, the amount contained in products, or the amount recycled by being sold

* Transformed amount: The amount that has been transformed into other substances by incineration, reactive processing, etc.

Changes in Emissions of PRTR Substances (Production sites in Japan)



Social

Human Resources and Hiring

Related data: Number of employees *Consolidated/YKK Corporation

	Unit	End of FY2019	End of FY2020	End of FY2021	End of FY2022	End of FY2023
Consolidated	people	46,261	44,510	44,410	44,527	45,363
YKK Corporation	people	4,823	4,849	4,454	4,398	4,364

Related data *YKK Corporation

			Unit	End of FY2019	End of FY2020	End of FY2021	End of FY2022	End of FY2023
Gender	By gender	Male	people	3,240	3,280	2,960	2,901	2,867
		Female	people	1,583	1,569	1,494	1,497	1,497
	Gender %	Male	%	67	68	66	66	66
		Female	%	33	32	34	34	34
Average age			years old	41.7	41.7	42.0	42.5	42.5
	By gender	Male	years old	42.4	42.5	42.1	42.6	42.6
		Female	years old	40.6	40.8	41.8	42.3	42.2
Age	10s - 20s		people	1,194	1,196	1,062	985	917
	30s		people	1,075	1,107	1,008	996	1,075
	40s		people	1,088	1,085	1,005	1,018	990
	50s		people	970	936	892	906	912
	60s or older		people	496	525	487	493	470
No. of new hires			people	224	181	93	133	241
	Ratio of experienced hires		%	24.6	9.9	32.3	57.9	54.8
Average length of service			years	18.3	18.3	18.5	18.7	18.4
Turnover			people	153	175	170	175	180

Related data: Employees on overseas assignments *Fastening Business and other businesses, etc.

	Unit	End of FY2019	End of FY2020	End of FY2021	End of FY2022	End of FY2023
Male	people	514	468	497	519	545
Female	people	22	21	17	23	27

COLUMN

Abolition of the Mandatory Retirement Age



In April 2021, we abolished the mandatory retirement age at operating companies in Japan. This makes it possible for individuals to work regardless of their age as long as they are able to fulfill the role required by the company. Employees decide themselves when they will retire. Each individual determines the ideal nature of his or her own life and work and puts achievement of those goals into action.

The company will achieve a truly “fair” personnel system based on roles that are not restricted by age, gender, or nationality. The pursuit of employee autonomy and the fairness sought by the company generates a synergetic effect and is aimed at a higher level of revitalization.

Human Asset Development

Fundamental Approach

Based on our personnel philosophy of “Autonomy and Coexistence,” we want every employee to take the initiative to learn, work with others and improve through friendly rivalry, and proactively take on the challenge of achieving their individual goals, and grow through the experience. In addition to encouraging each employee to engage in self-improvement and giving them support in that effort, the company will create opportunities for employees to utilize their strengths and gain experience and connect those efforts to the growth of both the employee and the company.

FY2023 Initiatives

We scrutinize the results of the annual engagement survey, and for training sessions hosted by the Human Resources Department, we consider and implement programs that are conducive to invigorating the workplace and improving worthwhile work at the individual level.

As an example, for tiered training, we provided support so that employees would become aware of their own roles through self-analysis and group work, and be able to act with positive attitudes as leaders. For career training, employees were separated by life stage, and each participant re-examined their relationship with their job. They sorted out how their own role is connected to previous and ensuing processes, and thought about what makes work worthwhile for them.

In addition to these programs, we also provide training when employees need it—such as selective training, job-specific training, and training prior to overseas assignments—to continuously support their growth.

Related data: YKK Corporation

	Unit	End of FY2019	End of FY2020	End of FY2021	End of FY2022	End of FY2023
Training cost per person	yen	59,317	25,690	30,553	34,769	41,215
People who took OFF-JT training*	people	2,442	1,436	1,636	2,107	2,075
People who took distance learning	people	656	829	705	236	354
People who received doctorates	people	21	25	27	28	30
Percentage of employees undergoing periodic reviews related to work performance and career development	%	100	100	100	100	100

* Training hosted by the Human Resources Department

COLUMN

Supporting the Acquisition of the Skills and Mindset That Leaders Need, and Aiming to Improve Management Capabilities Across the Whole Organization



Holding discussions propelled by an external lecturer (Tiered training in FY2023)

YKK conducts tiered training programs with four tiers (General Manager, Manager, Chief, and Supervisor) when employees are promoted, as opportunities for them to acquire the necessary skills and mindset. The program is designed to be taken during the year of promotion, so that participants can learn in a timely manner after they are promoted, and is tailored to the content of each tier, with group training for those working in Japan and online participation during overseas assignments.

<Contents of the training for managers (Example)>

- Roles and skills of managers (policy deployment, workplace administration)
- Workplace concepts
- Leadership that connects senior employees with their team members
- Understanding team members and team/workplace development

Diversity & Inclusion

Fundamental Approach

Diverse human assets work at YKK, which has been expanding globally, with each person exhibiting their respective skills, experiences, and other strengths of their diverse backgrounds based on their age, gender, or nationality. Following the mobilization of highly diverse human assets, at YKK we are aiming to achieve diversity and inclusion in which our human assets function organically to strengthen business competitiveness.

FY2023 Initiatives

We are working on designing a fair system that accepts various working styles, to make it possible for diverse human assets to fully utilize their abilities and form their long-term careers.

To avoid losing employees who must accompany a spouse transferred to another location, YKK looked into a program for employees to take extended leave for a certain period of time, and adopted the Life Design Support Leave Program which launched in FY2023. We are not only encouraging employees to work from home as well as to use staggered work schedules, flex time, and other flexible works styles, but are also working to create a mechanism for YKK to be a company at which each employee can enjoy work and feel motivated.

Related data: YKK Corporation

	Unit	End of FY2019	End of FY2020	End of FY2021	End of FY2022	End of FY2023
Average working hours	hours	1,894	1,650	1,842	1,828	1,839
Paid vacation utilization rate	%	85.9	77.7	83.7	85.0	82.7
Ratio of male employees taking childcare leave	%	34.5	46.2	69.6	61.7	86.5
Number of male employees taking childcare leave	people	38	55	71	66	90
Days of childcare leave taken by male employees	days	23	17	20	26	50
Childcare system users	people	188	175	187	192	208
Nursing care system users	people	11	6	8	5	9
Flex time system users	people	340	548	698	943	1,259
Female managers	people	51	53	54	68	73
Female management rate	%	5.9	6.1	7.0	8.5	8.9
Employment rate of people with disabilities YKK Corporation	%	2.24	2.30	2.49	2.54	2.58
Employment rate of people with disabilities YKK Group	%	2.45	2.50	2.52	2.63	2.67

Points of focus

Promotion of the active participation of diverse human assets

In order to achieve “creativity to realize a sustainable society,” the most important point of the 6th Mid-term Management Plan, we have added “diverse human assets” that transcend age, gender, and citizenship, etc., including abolition of the mandatory retirement age, to the four strengths of “product appeal & proposal capability” and “technology & manufacturing capability.”

We define “diverse human assets” as “employees who can contribute to the company using their individual experiences and knowledge.” YKK will find the optimal ways to hire, develop, and utilize such individuals, and will strive to establish an environment in which they can work without reserve. As a company-wide management strategy, YKK launched a Diverse Human Resources Promotion Committee, with the President serving as chair of the committee in FY2021 and established a system for dynamic and effective examination of matters aimed at resolving issues, in order to evolve and accelerate active participation of diverse human assets.

COLUMN

Introduction of an Internal Hiring System

We started an internal hiring system in FY2021 as a program to transfer human assets based on the will of the employee for the purpose of further improving the career autonomy of every employee, and 107 employees have transferred to another role (as of March 31, 2024). The program is held twice a year to expand the areas where diverse human assets can actively participate and take on challenges to realize their own goals. YKK will take full advantage of the internal hiring system as it works to build an enthusiastic workplace for all employees.

Receiving the “Kanazawa University Diversity Award” Which Recognizes Outstanding Female Researchers



Product Development
Division Natsuko Saitsu

At the Kanazawa University Diversity Awards, which celebrate outstanding female researchers who have contributed to the creation of a diverse research environment, such as university faculty and staff members, Natsuko Saitsu of the YKK Product Development Division received the Purple Flower Award, which is given to those who show promise of future achievement.

Ms. Saitsu worked for 10 years in the Product Development Division, developing injection-molded products such as plastic buckles, then engaged in the development of injection-molded plastic zippers. She played a leading role in the development of new manufacturing methods for zippers intended for outdoor jackets. In recent years, she has been visiting customers in Japan and overseas, in addition to being involved with product planning. She is carrying out her duties while balancing work with parenting.

Building an Inclusive Workplace Environment at YKK FRANCE SARL



Test introduction of a power suit
(exoskeleton robot)

YKK FRANCE SARL strives daily to create an inclusive workplace environment where it is comfortable for everyone to work, regardless of whether or not they have a disability. For example, we are conducting ergonomic risk assessments for workstations, making improvements to systems with the assistance of occupational physicians and outside experts, and introducing innovative technologies, including the pilot implementation of power suits to assist employees in their work. We also collaborate with ESAT (a welfare work support and services organization) and accept employees with disabilities, while working to improve employee awareness through measures such as employee visits to ESAT.

Diversity, equity, and sharing are common fundamental values that we all share at YKK FRANCE SARL. We believe that we have a responsibility as part of the community to create an inclusive work environment and to be there for and support our employees, and we will continue our efforts to do so.

Occupational Health and Safety

Fundamental Approach

In 1994, the YKK Group formulated the YKK Group Health and Safety Pledge as the universal policy that indicates the direction each company should move in its efforts. We implement a variety of health and safety activities aimed at the formation of a workplace where people can work in safety and without worry, by getting each employee to align himself or herself with the stipulations of the Declaration, have strong self-awareness regarding health and safety, and take health and safety into consideration.

FY2023 Initiatives

Every YKK employee engages in health and safety efforts, emphasizing safety above all.

To prevent occupational accidents caused by machinery, we utilize shared checklists, both in Japan and overseas, and conduct thorough safety inspections when adopting machinery and equipment. In addition, we have conducted risk assessments and actively implemented risk reduction measures, particularly for high-risk work, resulting in a significant reduction in machine-related accidents.

In response to accidents caused by people, the management team conducts on-site inspections to raise the safety awareness of each and every employee and to eliminate unsafe behavior.

Creation and Operation of the Occupational Health and Safety Management System

YKK has created an occupational health and safety management system at all its production sites in Japan and overseas and is striving to adhere to the stipulations of the relevant laws, regulations, and restrictions, etc., related to occupational health and safety, and to prevent industrial accidents.

Fire/Disaster Prevention Measures

YKK has thoroughly implemented fire/disaster prevention measures and is addressing the matter with human life as the top priority.

6th Mid-term YKK Health and Safety Policy (FY2021 to FY2024)

Safety above all

YKK places the highest priority on safety to improve the health and safety of its employees. We will promote the creation of a safe and secure work environment and good health by ensuring that everyone has a strong awareness of health and safety and that all employees participate in health and safety activities.

Guidelines for Action

- Create a safe and secure work environment
We will identify potential risks and strengthen risk reduction measures.
- Raise awareness of safety
We will enhance each employee's awareness of safety and improve the capabilities of workplace managers.
- Maintain and improve safety management level
We will establish an occupational health and safety management system and promote ISO 45001.
- Promote corporate efforts for disaster prevention
We will strengthen fire prevention and disaster prevention system to eradicate fire breakouts.

April 1, 2021

Hiroaki Otani

President, YKK Corporation

FY2024 YKK Health and Safety Objectives

Safety above all

Industrial Safety Zero occupational accidents

- 1 **Zero accidents caused by machinery**
 - Conducting thorough safety checks of external equipment (using checklists and conducting risk assessments)
- 2 **Zero accidents caused by people**
 - Re-establishing awareness of 2S (sort & set-in order) activities, and thoroughly implementing them
 - Visualizing potential hazards and harmful factors in the workplace (hazard mapping)
- 3 **Promoting appropriate chemical management in production processes**
 - Ensuring that all employees are aware of the dangers and hazards associated with the use of chemical substances, and conducting thorough safety education and training
- 4 **Ensuring health and safety compliance**
 - Complying with laws and regulations related to health and safety (strengthening the management system) under the leadership of the management team
 - Raising safety management standards that use YGCC

Fire prevention Zero fires

- 1 **Ensuring horizontal deployment to prevent the reoccurrence of fire breakouts**
 - Ensuring compliance with fire prevention notices (cooling fans, duct measures, updating distribution boards)
- 2 **Improving the level of fire prevention management**
 - Launching the operation of global management standards for fire prevention, implementing improvements

April 1, 2024

Minoru Maeda

Vice President, Environment & Safety Management Department, YKK Corporation

Industrial injury statistics *Fastening business and other businesses, etc. related to business operations

Industrial injury statistics		FY2019	FY2020	FY2021	FY2022	FY2023
Domestic	Frequency rate (1 day or more of absence from work) * employees	0.38	0.22	0.00	0.24	0.36
	* Frequency rate: Metric to show the frequency of industrial injuries	$\frac{\text{Number of employees on leave due to industrial injuries}}{\text{Total actual working hours}} \times 1,000,000$				
Overseas	Annual rate per 1,000 (1 day or more of absence from work) * employees and dispatched workers	1.7	1.7	2.1	2.6	1.5
	* Injuries and deaths per 1,000: Percentage of industrial injuries and deaths per 1,000 workers per year	$\frac{\text{Number of employees on leave due to industrial injuries per year}}{\text{Average number of employees per year}} \times 1,000$				

COLUMN

Providing Safety Technical Guidance On-Site to Reduce Occupational Accidents



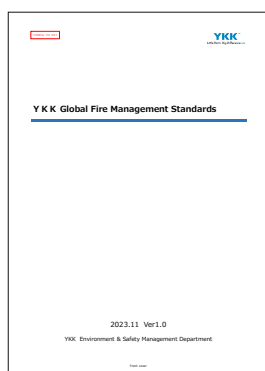
Safety training in progress

Since FY2023, with the aim of improving the safety management system for companies where occupational accidents have been occurring, safety staff from Japan temporarily go on-site, and management supervisors (managers, workplace supervisors) provide safety technology guidance and education* to enable the early detection and improvement of potential sources of danger and problems in the workplace.

Management supervisors correctly instruct workers based on a high level of safety knowledge and awareness, and implement production activities with safety as the top priority, thereby decreasing the number of occupational accidents.

* Training content: 5S, prevention of human error, KYT, workplace patrols, risk assessment, equipment and machinery safety, chemical substance management, etc.

Establishment and Enactment of YKK Global Fire Management Standards



YKK Global Fire Management Standards

To prevent fires in Japan and overseas, we established and enacted the Global Fire Management Standards in November 2023.

Until now, there had been multiple internal regulations regarding fire prevention management. Because they were based on Japanese laws and regulations, mutual understanding and spread among employees at overseas locations, where local laws and regulations and ways of thinking differ, was a challenge.

Therefore, we have established unified and practical internal standards to promote company-wide fire prevention management, including at overseas locations. We are working to improve the level of fire management at all of our locations by conducting self-checks, based on established standards and on-site diagnoses by specialists.

Employee Health

Fundamental Approach

YKK established the [Health Declaration](#) to designate employee health as a management issue and clearly share its approach both inside and outside the company. The [YKK Group Health Promotion Committee](#), which is made up of personnel departments, industrial physicians, the YKK Health Insurance Society, other health related functions, and persons with responsibility for promoting health in individual businesses, promotes health management such as reducing lifestyle-related diseases and mental health issues.

FY2023 Initiatives

In FY2023, we worked on five priority measures. (1) In regard to the reduction of lifestyle-related diseases, we implemented initiatives to achieve a health checkup implementation rate of 100%, and a specific health check-up implementation rate of 90%, a specific health guidance implementation rate of 55%, and a smoking cessation toward a smoking rate of 20% or less. (2) In regard to preventing psychological disorders, we provided training to applicable employees, conducted interviews with individuals who were identified as having a high stress level in the stress check, and carried out activities to improve the workplace environment. (3) The company collaborated with health management centers to promote support for balancing the treatment of illnesses and work. (4) In order to strengthen the health management system, we promoted the creation of a system that enables all employees to receive services from the healthcare staff. (5) We sponsored health promotion campaigns with an aim to raise awareness about exercise habits with a more than 75% participation rate, which was our target. These initiatives resulted in YKK being named a 2024 Certified Health & Productivity Management Outstanding Organization.

Related data YKK Corporation

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Percentage of people taking the stress check	%	99.7	99.1	98.4	99.1	99.4
Percentage of people under high levels of stress (according to Ministry of Health, Labour and Welfare standards)	%	12.4	10.3	11.8	11.6	11.7
Percentage of people who exercise regularly (Exercise for 30 minutes or more a day, at least once a week)	%	43.4	47.9	47.4	48.1	47.8
Percentage of people who undergo regular health checkups	%	99.8	99.7	99.9	100	-*
Percentage of people who undergo detailed health checkups	%	97.5	78.0	85.6	83.2	-*
Percentage of people with metabolic syndrome	%	15.5	16.8	16.0	16.0	-*
Percentage of people targeted for special health guidance	%	19.0	19.7	18.8	19.2	-*
Percentage of people undergoing special health guidance	%	54.2	51.3	50.4	52.3	-*
Percentage of people who smoker	%	22.8	21.7	21.2	20.4	20.6
Long-term leave days (leave of absence)	days	7,680	6,904	7,641	7,891	9,752
Presenteeism (average points) (WHO-HPQ absolute presenteeism)	points	58	57	60	60	60

* Numbers for FY2023 are still being aggregated

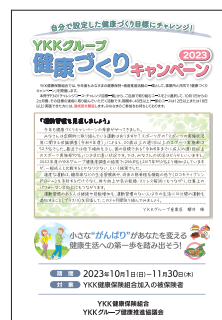
COLUMN

Main KPI: Implementation of Health Promotion Campaign 2023 in Japan

The lack of exercise is one YKK employee health issue. We conduct a “Health Promotion Campaign” aimed at making improvements to individual lifestyles with the goal of a participation rate of at least 75%. In the ‘Health Promotion Campaign’, you can choose a course that suits you from goals related to diet, exercise, and lifestyle, and challenge yourself for two months. Additionally, the health promotion app ‘QOlistm’ offers not only participation in the campaign through the app but also features for health management such as recording steps, meals, weight, and sleep, as well as providing tips.

Participation rate

FY2019	FY2020	FY2021	FY2022	FY2023
52.8%	68.0%	60.5%	66.5%	62.2%



Campaign brochure

Main KPI: Implementation of a Smoking Cessation Campaign in Japan

YKK recognizes the high rate of smokers as a problem and is undertaking various measures with a target for 20% or less of all employees to be smokers. In FY2023, we conducted the smoking cessation campaign twice, and the company-wide no-smoking days six times. We also provide support to individuals who take on the “Smoking Cessation Challenge” to quit smoking. YKK has successfully prohibited smoking indoors as of the end of FY2022 and will now aim to prohibit smoking anywhere on the premises by the end of FY2024.

- FY2023 smoking cessation campaign May 25 to June 30, 2023 / December 20 to January 31, 2024 (2 times)
- FY2023 company-wide no-smoking day May 31, July 21, September 22, November 22, January 22, March 22 (6 times)
- Smoking prohibited indoors (as of the end of FY2022)

Human Rights

Fundamental Approach

The YKK Group adopted a Human Rights Policy Statement and conducts business activities that respect human rights.

YKK Group Human Rights Policy

● Values

The YKK Group places the YKK Philosophy of the CYCLE OF GOODNESS® at the core of all its business activities. As an important member of society, a company survives through coexistence. When the benefits are shared, the value of the company's existence will be recognized by society. YKK founder Tadao Yoshida made this point the major focus in the pursuit of his business, and sought a path that would lead to the mutual prosperity of all the members of society. His thinking was that companies should, in the course of their business, strive to develop the business with inventions, creativity and ingenuity and by constantly creating new value, thereby contributing to society by helping customers and business partners to prosper.

YKK Group acts in a responsible manner toward society in order to conduct business activities in accordance with this philosophy. As part of this philosophy, the [YKK Group Code of Conduct](#) consists of seven principles and 29 detailed rules that define the Guidelines for Action shared and recognized by YKK Group employees in each country and region around the world. The Code of Conduct includes clear stipulations against discrimination and the violation of human rights for any reason whatsoever. This Policy complements the principle of respect for human rights that is set forth in the YKK Group Code of Conduct.

● Scope

The YKK Group applies this Policy to all YKK Group officers and employees. When the human rights of persons involved in the business, products, or services of the YKK Group, its business partners including suppliers, and their business partners, are adversely (negatively) impacted, and when this negative impact is directly related to the YKK Group business, products, or services, we will undertake to encourage those concerned to respect human rights, avoid human rights violations, and address any negative impacts on human rights pertaining to them.

● Commitment to Human Rights

The YKK Group supports and respects international standards relating to human rights, including the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work as based on the UN Guiding Principles on Business and Human Rights. In all its corporate activities, the YKK Group fulfills its responsibilities in respecting the human rights of all people impacted by its business activities.

YKK will pursue every way possible to fully respect the core international human rights of people even if these international human rights are not properly protected by the laws and regulations in each country and region or in the execution of those laws and regulations.

● Organization and Governance

The YKK Group advocates "YKK seeks corporate value of higher significance" as a management principle. This principle of consistent fairness is the foundation of all our management activities. In accordance with this thinking, we work to implement comprehensive corporate governance systems with the goal of further enhancing our corporate value.

As an organization directly under the YKK Management Council and Board of Directors, the YKK Sustainability Committee chaired by the YKK President addresses human rights and other sustainability issues. This includes not only putting in place and expanding policies to relevant departments and Group companies in Japan and the rest of the world but also carrying out cross-departmental efforts.

● Human Rights Due Diligence

Based on the UN Guiding Principles on Business and Human Rights, the YKK Group observes due diligence with respect to human rights. We are able to identify any negative impact on human rights through this framework to reduce and prevent any human rights violations from happening.

● Human Rights Education

To instill this Policy in all corporate activities and ensure its effective implementation, the YKK Group provides appropriate education and training to its officers and employees and encouragement to its business partners and other related parties.

● Corrections and Remedies

If it becomes apparent that a YKK Group business, product or service has caused or contributed to a negative impact on the human rights of anyone affected by that business, product or service, the YKK Group will deal with the concerned persons in good faith and work to correct the corporate activities that were the cause of the issue. Furthermore, if it becomes clear that there is a direct relation via a related party between a YKK Group business, product or service and a negative impact on human rights, or if such a relation is suspected, we will strive to remedy the situation by communicating with the related party. We will work to build systems by which we can receive the concerns and complaints of stakeholders and strive to solve problems or implement remedies. These systems will include internal and external consultation desks by which people who have, or may have, suffered negative impacts to their human rights can consult with our company.

● Ensuring Transparency/Communication

The YKK Group periodically assesses the progress of its human rights initiatives and works to enact ongoing improvements. At the same time, the Group communicates this progress through websites, reports, and other communication channels.

With respect to human rights affected by its business activities, the YKK Group will continue to develop a series of initiatives under this Policy to respond appropriately to changes in the business and environment, so as to enable it to understand, address, and improve its activities from the point of view of those impacted.

● Maintaining Initiatives for Respecting Human Rights

In order to maintain and strengthen our initiatives directed at respecting human rights into the future, we will respond to human rights issues appropriately in accordance with changes in the business and environment, and review our policies as needed.

■ FY2023 Initiatives

At YKK, we have set out the YKK Group Human Rights Policy, and are promoting initiatives to respect human rights and identify and address risks that would infringe on those rights. We performed the YKK Global Criteria of Compliance (YGCC) self-checks and on-site audits at all applicable locations based on YGCC, which includes respect for human rights, and identified the level of CSR procurement carried out by our suppliers and other business partners in an effort to continually identify and evaluate human rights risks. YKK responds to any issues that are found to correct those issues and reduce human rights risks.

In FY2023, among initiatives we made progress on, we formulated a stricter working hour management policy in response to increasing demands for working hour management. In FY2024, we will establish a policy-based system for weekly management of working hours at each company. In addition, as part of our efforts to respect human rights, we focus on harassment prevention, and in addition to in-person training, we conduct e-learning, distribute pamphlets, and disseminate notices.

Going forward, we will also continue to identify and evaluate human rights risks through YGCC implementation and CSR procurement, continue to promote the building of relief systems, and work to transition to structures that conform to UNGP and due diligence directives that will be enacted in the future in Europe.

Related data

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
YGCC third-party audits performed	cases	13	6* ¹	9* ¹	16	14
Number of people who underwent training that includes harassment prevention content (total number of people)* ²	people	598	183	89	209	947
Whistleblowing cases reported* ³	cases	31	20	16	19	27

*¹ Only performed at the bare minimum required number of operating companies due to the impact of the COVID-19 pandemic in FY2020 and FY2021.

*² Number of people who participated in group training that was primarily online, in addition to face-to-face. This does not include e-learning.

Targets: YKK Corporation, YKK Snap Fasteners Japan Co., Ltd., YKK Business Support Inc., and affiliated companies in Japan.
For FY2023, the number of participants increased due to a review of eligible training programs.

*³ The total number of inquiries received at the Japan contact point pertaining to YKK Corporation, YKK Snap Fasteners Japan Co., Ltd., YKK Business Support Inc., affiliated companies in Japan, and affiliated companies overseas.

■ Establishment of Contact Point for Internal Whistleblowing



The YKK Group has established a whistleblowing system to detect and address illegal activity at an early stage.

We renewed the “Compliance Line,” one of several internal and external contact points, to further improve convenience. We extended phone service hours for accepting calls and added multilingual support in Japanese, Chinese, English, and Korean, as well as two-dimensional code support for web forms, etc. Furthermore, we outsourced the acceptance of reports to a third-party organization to avoid any detriment to the whistleblower, and made improvements to ensure that whistleblowers are protected by an independent server with a high level of security.

Since FY2023, we have also been working to establish a system to appropriately address and remedy concerns and complaints from external stakeholders. The YKK Group Supplier Reporting Contact Point Human Rights Grievance Hotline was established to receive consultations from suppliers regarding misconduct, legal violations, and human rights abuses committed by YKK Group officers and employees.

Supply Chain Management

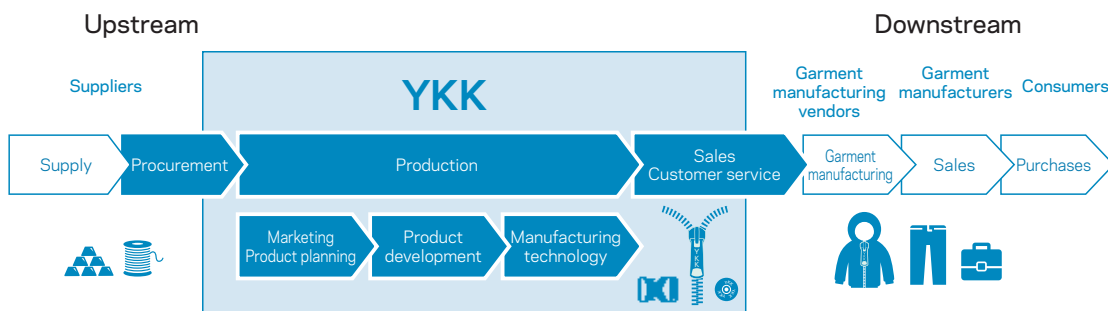
Fundamental Approach

The YKK Group adopted the following Procurement Policy so that it can fulfill its social responsibilities throughout the supply chain.

YKK Group Procurement Policy

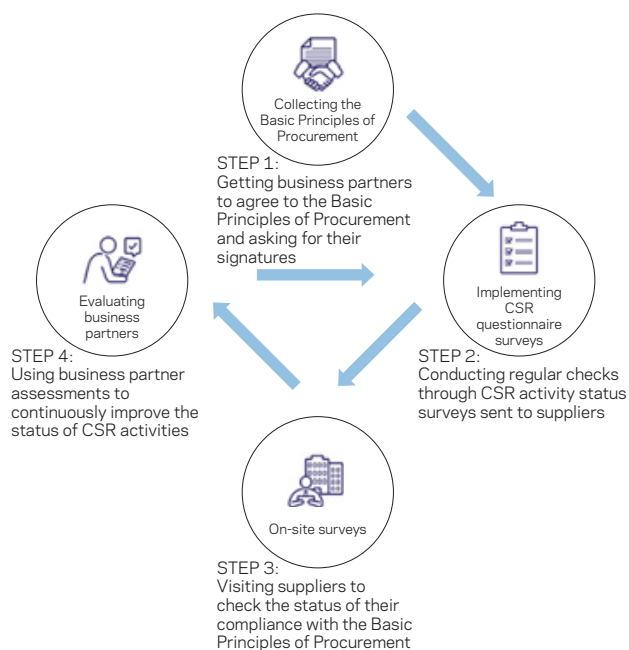
We have based our business activities on the conviction, under the CYCLE OF GOODNESS® YKK Philosophy, that an enterprise is an important member of society, that it must thereby coexist with other elements of society, and the value of its existence will be recognized by the benefits it shares with society. The belief behind this is that no one prospers without rendering benefit to others. We carry out business activities with the aim of bringing mutual prosperity, and our intent is that creativity and ingenuity, as well as our inventions, will result in business expansion for the YKK Group, which in turn would bring prosperity to customers and business partners, and thus benefit all society. This is none other than our execution of corporate social responsibility.

YKK Supply Chain (illustration)



CSR Procurement and Requests for Business Partners

YKK is pushing forward with initiatives across all supply chains, in addition to our own activities, with the aim of achieving the targets set out in the Sustainability Vision 2050. In addition to implementing CSR procurement activities that take society and the environment into consideration, we have established the Basic Principles of Procurement as requirements for business partners. These Basic Principles of Procurement follow OECD guidelines. They aim to improve partnerships for fulfilling social responsibilities together, by having our business partners confirm the status of compliance with those principles.



Requests for Business Partners Basic Principles of Procurement

- Compliance with laws and regulations
- Fair and ethical business practices
- Human rights
- Wages
- Working hours
- Health and safety / Workplace environment
- Environment
- Quality and product safety
- Information security
- Audits

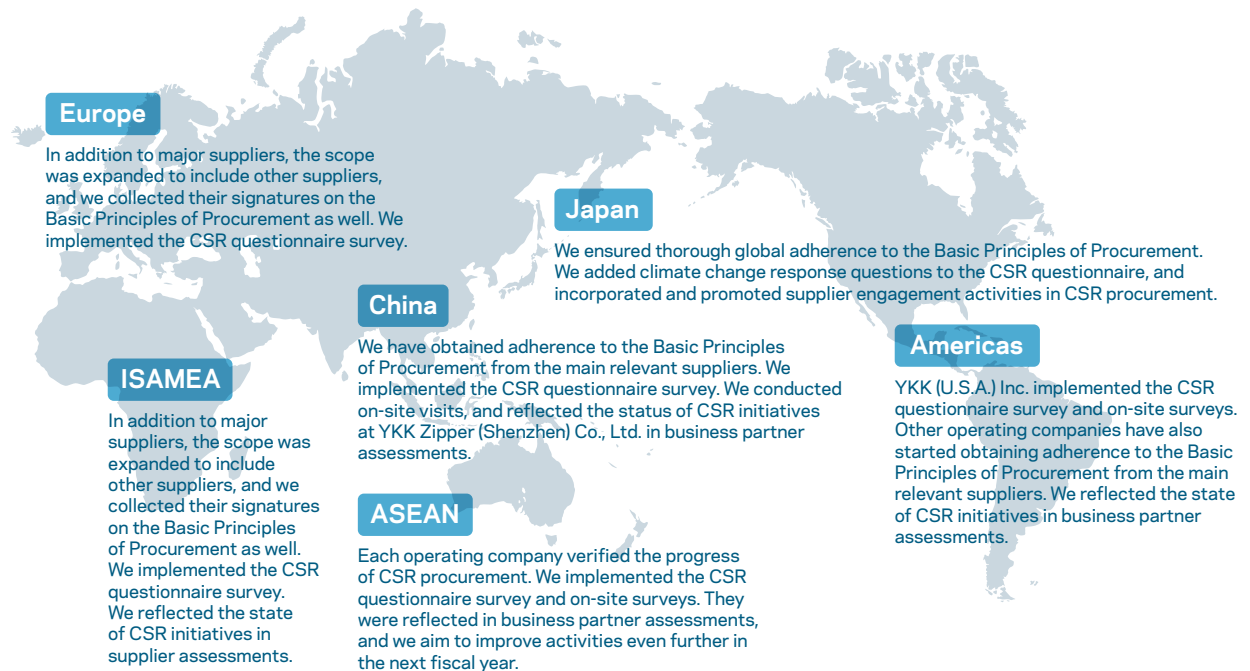
FY2023 Initiatives

We undertake CSR procurement in the Fastening Business so that we can fulfill our social responsibilities throughout all supply chains. In all processes, from raw materials to finished products, we take measures to procure materials that do not contain hazardous substances and were produced through appropriate manufacturing processes and labor environments, to reduce our carbon footprint, and to procure materials with the aim of promoting recycling.

We continuously administer CSR procurement questionnaires to determine the CSR conditions of suppliers and provide feedback on the evaluation results. We also make visits and conduct interviews as necessary to encourage suppliers to make improvements. Further, recognizing that our partnerships with our suppliers are important, and so that we may promote mutual understanding with them, the YKK Group has specified our requests as the “Basic Principles of Procurement.” We ask for their understanding and assent, and we hope that they will join us in the fulfillment of our responsibilities to society.

We have also been enhancing our supplier engagement activities since FY2022 to build cooperative relationships with our suppliers, in the hope of achieving the targets set for the five themes identified in the YKK Sustainability Vision 2050 (climate change, material resources, water resources, chemical management, and respect people). For FY2023, we began signing memorandums of understanding with business partners that incorporate climate change requirements in order to further promote the collection of carbon footprint information and the shift toward low-CO₂ materials and recycled materials.

Note: See here for details regarding the Basic Principles of Procurement.
https://www.ykk.com/english/corporate/csr/pdf/ykk_procurement_en.pdf



COLUMN

Selected as a Supplier Engagement Leader

In the Supplier Engagement Rating 2023, CDP selected YKK as a company for its Supplier Engagement Rating Leaderboard for the second year in a row. The CDP praised and designated our company a global leader for initiatives ranging from the governance and targets to reduce GHG emissions throughout the entire supply chain to cooperative efforts to reduce GHG emissions with suppliers. In March 2024, the CDP also gave YKK an “A” on its FY2023 climate change questionnaire, the first time that YKK has earned the highest “A” rating. We will continue our work to combat climate change to achieve the Paris Agreement and provide transparent information disclosure.



Quality

Fundamental Approach

In order to provide new value for the needs of customers and society, we are fastidious about quality in the entire process, from development to manufacturing, sale, and after-service. In the Fastening Business, including overseas, we have acquired ISO 9001 certification, continued to improve our quality management system, and established global quality standards, and provide our customers with products that all meet the same standard of quality.

FY2023 Initiatives

In FY2023, under the YKK 6th Mid-term Quality Policy, we focused on providing safe and worry-free services, contributing to a sustainable society by reducing the environmental impact/burden of chemical substances, and achieving the highest quality at the lowest cost through promotion of quality cost management. We have promoted activities to mitigate quality risks in each process, revised the YKK Restricted Substance List (YKK RSL) to strengthen the chemical management of products, and promoted improvement activities through quality cost management to 15 main locations around the globe.

YKK 6th Mid-term Quality Policy

Under our 6th Mid-term Management Vision, "Technology-Oriented Value Creation," YKK will continue to focus on quality in order to meet diverse customer needs and acquiring customers, providing safe, reliable, better products and services at a lower cost and greater speed, more sustainably.

Guidelines for Action




- We will provide safe and reliable products and services that sincerely satisfy our customers in all processes from research and development to manufacturing, sales, and after-sales service, by being sensitive to the voices of our customers and the needs of society.
- We will contribute to the realization of a sustainable society by minimizing the impact and load on the environment caused by Fastening Business-related chemical substances in order to leave a rich life for future generations.
- We will promote quality cost management and make fundamental improvements and upgrades to address quality issues through technology to achieve "the highest quality at the lowest cost."

April 1, 2021

Hiroaki Otani

President, YKK Corporation

Status of acquisition of quality-related certification

Certifications	Overview
ISO9001 / ISO14001 / ISO45001 	YKK has acquired ISO 9001, ISO 14001, and ISO 45001 certification at many of its business sites. * Please inquire for more information about the certification status of each business site.
OEKO-TEX® STANDARD 100 	OEKO-TEX® STANDARD 100 is one of the world's best-known labels that certifies only textiles that have passed strict tests for over 350 hazardous chemical substances as safe products (https://oeko-tex-japan.com/about/standard100/). Many YKK business sites have acquired STANDARD 100 by OEKO-TEX® Product Class I certification. See https://www.oeko-tex.com/en/buying-guide for the latest information. In 2017, YKK received the Grand Prize, the highest award, at the JAPAN OEKO-TEX® AWARD 2017 ceremony. * OEKO-TEX is a registered trademark of ÖTI-Institut für Ökologie, Technik und Innovation GmbH.
bluesign® system 	The bluesign® system is a system to certify sustainable supply chains in the textiles industry from the perspectives of the environment, labor, and consumers. YKK has been certified as a bluesign® system partner. See the YKK Digital Showroom (https://ykkdigitalshowroom.com/en/b1f/eco-friendly_products/bluesign_approved/) for details on products that have received the bluesign® certification (zippers, vinyl parts). * bluesign is a registered trademark of bluesign technologies.

COLUMN

YKK Receives Chairman Award at the 31st Robust Quality Engineering Presentation Conference



Left to right: Tsukasa Yamamoto, Yuki Matsuda, Seiya Yamagishi, Executive Committee Chair Hamada, Mamoru Hatakeyama, Sachi Suzuki, Yuki Kitajima, Takashi Nakamura (honorifics omitted)

The 31st Robust Quality Engineering Presentation Conference was held in June 2023, and companies and organizations from all over Japan gave presentations on many case studies. The YKK Group gave a presentation on six themes, which were highly rated as “initiatives that utilize quality engineering for sustainable development and SDGs,” and received the Chairman Award from the Robust Quality Engineering Society.

Quality engineering is a development and improvement technique which identifies factors that cause variations in quality for customers, and finds ways to approach them. The YKK Group started an initiative to utilize quality engineering in 2011 with a study session led by outside instructors, and has been promoting more efficient and higher-quality monozukuri under the theme of “quality engineering that continues to be used in practice.”

As for the relationship between quality engineering and the SDGs, which was the key to receiving this award, quality engineering is a development technique that is very compatible with the SDGs because of its significance with regard to reducing energy and social losses. We believe that the YKK Group’s efforts to make conscious efforts to address the SDGs by correlating our practical themes with certain SDG targets also contributed to receiving this award.

World Quality Month 2023 Contest Held



YKK España S.A. entry winning the grand prize

YKK has designated November as its quality month every year, and promotes a wide range of activities to raise awareness about quality. The theme for FY2023 was “Accomplish Our Competitiveness with Quality,” and we held a contest to raise employee awareness by inviting entries from our global manufacturing sites. Participants then voted to select a winner. In FY2023, YKK España S.A. won the grand prize from among all 37 entries.

Governance

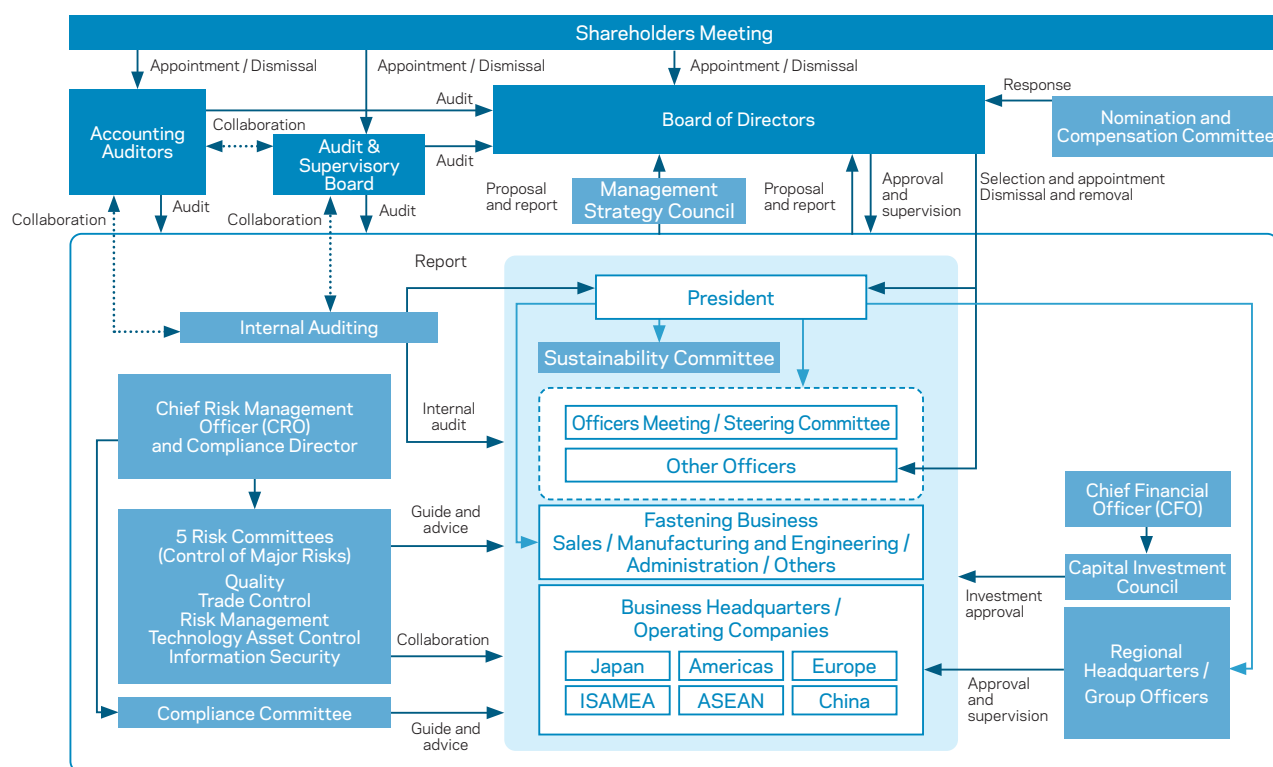
Corporate Governance

Fundamental Approach and System

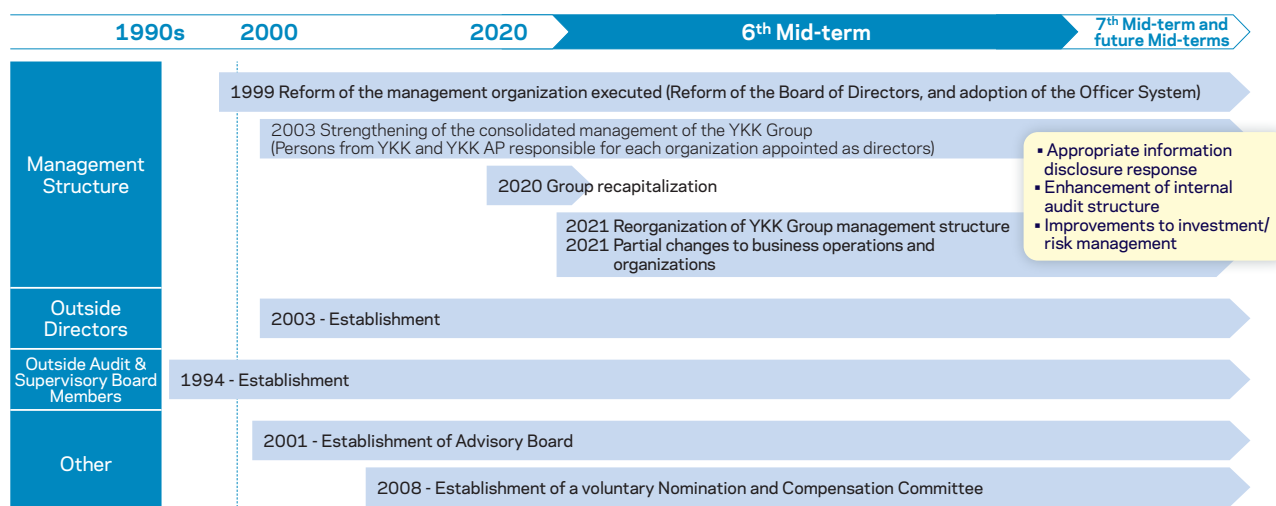
The philosophy of the YKK Group in conducting our corporate activities is based on the CYCLE OF GOODNESS® philosophy. In other words, “No one prospers without rendering benefit to others.” This principle of consistent fairness is the foundation of all our management activities. In accordance with this thinking, we work to implement comprehensive corporate governance systems with the goal of further enhancing our corporate value.

The governance structure of the Fastening Business, which is the mainstay of YKK Corporation, is as follows.

Fastening Business corporate governance structure



History of the strengthening of corporate governance



Status of Directors and Audit & Supervisory Board Members (as of June 27, 2024)

The company selects inside directors from the perspective of global business management that is critical to the Group's consolidated management. We have selected two outside directors to obtain advice and oversight related to the company's management, based on a broad range of insight and abundant experience from the perspective of enhancing corporate governance. In addition, we have selected Audit & Supervisory Board members who have the appropriate experiences and abilities and the necessary knowledge regarding finance, accounting, and legal affairs.

(Numbers in brackets are board meeting attendance in FY2023) *1 Outside Directors *2 Outside Audit & Supervisory Board Members

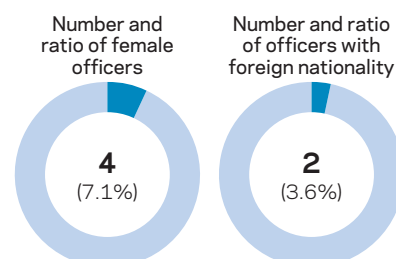
 <p>Masayuki Sarumaru Chairman</p> <p>(Board meetings: 13/13)</p> <p>After working for many years in the Fastening Business, including being stationed in the United States, became a director of the company in June 2008. Served as president of the company from June 2011 to March 2017. Was appointed Chairman in June 2018.</p>	 <p>Katsuya Yumoto Director Compliance Director & CRO</p> <p>(Board meetings: 13/13)</p> <p>After working in the United States, was appointed vice president over the Legal and IP Center in April 2010. In June 2022, became compliance director and Chief Risk Management Officer (CRO).</p>	 <p>Saeko Arai Audit & Supervisory Board Member*2 (Board meetings: 9/10) (Audit & Supervisory Board meetings: 9/12)</p> <p>Possesses specialized knowledge as a certified public accountant and has experience as an outside director for other companies. In June 2023, was appointed as an outside Audit & Supervisory Board member of the company.</p>
 <p>Hiroaki Otani President</p> <p>(Board meetings: 13/13)</p> <p>After working for many years in the Fastening Business, including being stationed in China, became a director of the company in June 2014. Was appointed president of the company in April 2017.</p>	 <p>Fumio Ikeda Director Research & Development</p> <p>(Board meetings: 13/13)</p> <p>After working for many years in the company's Machinery and Engineering Division, was appointed executive vice president over the Machinery & Engineering Group in April 2017. In June 2018, became a director of the company.</p>	 <p>Kiyotaka Nagata Audit & Supervisory Board Member (Full-time) (Board meetings: 13/13) (Audit & Supervisory Board meetings: 15/15)</p> <p>After working for many years in the company's accounting and finance division, served as head of the Internal Auditing Department. In June 2013, was appointed as a full-time Audit & Supervisory Board member of the company.</p>
 <p>Koichi Matsushima Director</p> <p>(Board meetings: 13/13)</p> <p>After working for many years in the Fastening Business, including being stationed in Europe, China, and Asia, became executive vice president over the Fastening Products Group of the company in April 2017. In June 2018, became a director of the company.</p>	 <p>Hidemitsu Hori Director</p> <p>(Board meetings: 10/10)</p> <p>After working in the United States, served as vice president of YKK AP Inc. from April 2007, then was appointed director of the same company in June 2009, president in June 2011, and Chairman Representative Director in April 2023. In June 2023, became a director of the company.</p>	 <p>Hikaru Minami Audit & Supervisory Board Member*2</p> <p>Possesses experience as a Representative Director, Audit & Supervisory Board member, and outside director at other companies. In June 2024, was appointed as an outside Audit & Supervisory Board Member of the company.</p>
 <p>Satoshi Honda Director Pension Policies CFO</p> <p>(Board meetings: 13/13)</p> <p>After working for many years in corporate planning, including being stationed in the United States, was appointed executive vice president over business administration in April 2019. Became director of the company assigned to pension policies and was appointed Chief Financial Officer (CFO) in June 2020.</p>	 <p>Keinosuke Ono Director*1</p> <p>(Board meetings: 12/13)</p> <p>Has served as a professor at Keio University and Chubu University, has a deep understanding of management and experience as an outside director for other companies. In June 2007, was appointed as an outside director of the company.</p>	 <p>Kouhei Morita Audit & Supervisory Board Member*2</p> <p>Has practiced law for many years as an attorney. In June 2024, was appointed as an outside Audit & Supervisory Board member of the company.</p>
 <p>Yoshimine Kobayashi Director</p> <p>(Board meetings: 10/10)</p> <p>After working for many years in the company's Machinery and Engineering Division, including being stationed in the United States and Asia, was appointed executive vice president over the Manufacturing & Engineering Division in April 2023. In June 2023, became a director of the company.</p>	 <p>Erica Okada Director*1</p> <p>(Board meetings: 13/13)</p> <p>Has conducted research related to consumer behavior for many years at universities and graduate schools in Japan and overseas, giving her a high level of expertise related to marketing. Also has experience as an outside director for other companies. In June 2022, was appointed as an outside director.</p>	

Skill Matrix

Category	Name	Company Management	Global	Specialist Fields				
				Sales/Marketing	Manufacturing & Engineering	Financial/Accounting	Organization/HR	Legal/Compliance
Director	Masayuki Sarumaru	●	●	●			●	
	Hiroaki Otani	●	●	●				
	Koichi Matsushima	●	●	●				
	Satoshi Honda		●			●	●	
	Yoshimine Kobayashi		●		●			
	Katsuya Yumoto		●					●
	Fumio Ikeda				●			
	Hidemitsu Hori	●	●	●		●	●	
	Keinosuke Ono (Outside)	●			●	●	●	
	Erica Okada (Outside)	●	●	●			●	
Audit & Supervisory Board Member	Saeko Arai (Outside)	●	●			●		
	Kiyotaka Nagata					●		
	Hikaru Minami (Outside)	●		●		●		●
	Kouhei Morita (Outside)						●	●

Status of Directors, Audit & Supervisory Board Members, Vice Presidents, Specialized Officers, and Group Officers

Total number 56



Note: The text on the left does not include all the specialized expertise, knowledge, and experience of the individuals concerned.

Overview of Individual Meetings and Committees, and the Status of Meetings Held

	Overview	Number of meetings in FY2023
Board of Directors	In addition to the roles stipulated in the Companies Act, the Board of Directors formulates management policy, allocates management resources, and supervises business execution by the vice presidents. In FY2023, the Board of Directors was composed of ten directors, two of whom are outside directors. In accordance with the Companies Act and the YKK Board of Directors regulations, it provided a wide range of oversight. This oversight included the YKK Group's basic management policies, mid-term management plans, and annual business plans, as well as important investments, basic policies on personnel systems, risk management, basic compliance policies, and all other matters related to decision-making and the progress of business execution by the directors and vice presidents of YKK and its subsidiary companies.	13 times
Audit & Supervisory Board	Composed of four Audit & Supervisory Board members, three of whom are outside auditors, generally convenes once a month to hold meetings of the Audit & Supervisory Board, or when necessary. Specific items reviewed in FY2023 include assessments of auditing policies and audit plans, the status of establishment and operation of internal control systems, accounting Audit & Supervisory Board members, etc.	15 times
Management Strategy Council	Has been established to make careful decisions after thoroughly discussing, from multiple perspectives, the YKK Group Management Principles, management policies, management strategies, and important matters for resolution by the Board of Directors, etc.	13 times
Nomination and Compensation Committee	By resolution of the Board of Directors, shall consist of at least three members, including at least one outside director, and no member who concurrently serves as a vice president, including the President, shall be included in the committee. Established as an advisory committee for the Board of Directors. Has been set up to deliberate on policy and systems related to the compensation of directors, vice presidents, etc., criteria and amounts of compensation, establishment, revision, and abolition of internal rules for compensation, and matters related to evaluation of performance, etc., then report those results to the Board of Directors. Composed of five members, two of whom were outside directors, in FY2023. Specific items reviewed for this fiscal year include the nomination of candidates for director and corporate auditor, appointment of vice presidents and specialized officers, revisions to internal rules, reviews of performance evaluations, and other such matters.	10 times
Five Risk Committees	Five risk committees under the Chief Risk Management Officer (CRO) have been established according to the type of risk: the Quality Committee, the Trade Control Committee, the Risk Management Committee, the Technology Asset Management Committee, and the Information Security Committee. These committees are responsible for making policy decisions related to each risk and supervising executive departments.	3 times/ Each committee
Compliance Committee	Established under the Chief Risk Management Officer (CRO) to develop appropriate compliance promotion activities in each organization. In FY2023, committee activities focused on reporting and discussing compliance activities and priority measures in each business and region, as well as the results of the YKK Global Criteria of Compliance (YGCC) audit.	1 time
Investment Committee	The Investment Council, which was established in February 2006 and had been led by the Chief Financial Officer (CFO), was reorganized into the Investment Committee in April 2021 to expand the system to appropriately manage investment risks in the YKK Group.	12 times

Directors and Corporate Auditors' Remuneration

Regarding compensation for company directors, the basic policy is to have a compensation structure which takes consistent improvement of corporate value and stable provision of dividends to shareholders, as well as the company's accomplishments to increase awareness for improving performance, into account. Each director's compensation is set at an appropriate level in light of their responsibilities and duties. Specifically, the compensation of directors consists of basic compensation and director bonuses as short-term compensation and retirement bonuses as long-term compensation.

- Basic compensation is fixed on a monthly basis and depends on the position and responsibilities of the director. It is determined by comprehensively taking the level of other companies, their performance at the time compensation is determined, and the level of employee salaries into consideration.
- The basic policy is to determine performance-linked compensation (directors' bonuses) based on consolidated performance for a single fiscal year, in order to raise awareness of the need to improve the Group's overall performance in each fiscal year.
- The ratio of remuneration, etc. for each individual director is set higher than that of basic compensation, and the overall remuneration system as a whole is designed to improve corporate value over the medium- to long-term as a policy.



The composition of director compensation and the amount of compensation have been disclosed from page 47 of the 89th annual securities report (in Japanese only).
<https://www.ykk.com/corporate/financial/securities/>

Risk Management

Fundamental Approach and System

YKK has established a Group Risk Management Policy and is engaged in risk management. A Chief Risk Management Officer (CRO) has been appointed to promote risk management. Various committees – Quality Committee, Foreign Trade Control Committee, Crisis Management Committee, Technology Asset Management Committee, and Information Security Committee – have been established, with regulations on risk management adopted and enforced. Furthermore, a Chief Financial Officer (CFO) has also been appointed, and a system established for appropriately managing financial and investment risks at YKK. In addition, YKK has established risk response guidelines to ensure that it responds appropriately and promptly to any risks that may arise.

YKK Group Risk Management Policy

By actively controlling risk levels and preventing various corporate risks, we will reduce or avoid the loss of human, material, and other management resources, and in the event of an emergency, we will promote risk management throughout the Group to minimize damage and losses, thereby leading to sustainable growth and increasing corporate value.

Risk management structure



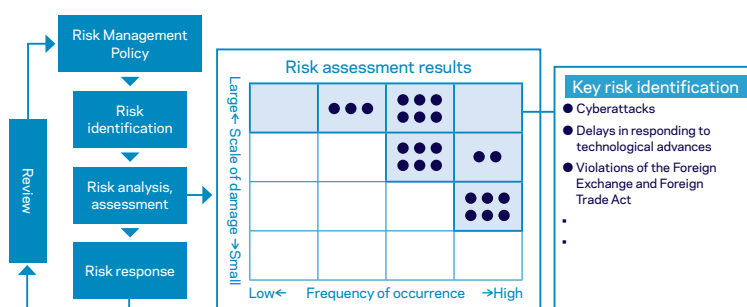
Risk Assessment Process and the Flow of Identifying Key Risks

We identify risks at each organization, based on the Risk Management Policy. After worst-case scenarios and the status of their responses are taken into account, we assess risks according to the scale of loss and damage and the frequency of occurrence. We evaluate the scale of damage by taking into account the financial impact, impact on human life and health, impact on credit and reputation, and impact on social order. We identify those risks with large potential impact as key risks that should be managed at the corporate management level, and conduct risk management while understanding those trends and making the progress of our responses visible.

Our CFO, CRO, and other responsible personnel take the lead in responding to financial risks identified through the process, as well as key risk items in the Fastening Business.

Details of risk analysis have been disclosed from page 25 of the 89th annual securities report (in Japanese only).

Risk assessment process and the flow of identifying key risks (conceptual diagram)



Risk Item Classification

Financial risks	The addition of projected benefit obligations, drops in the share prices of held stock, etc.
Risks in the Fastening Business	International conflicts/civil war, cyber-incidents, soaring prices for raw materials and fuel, tight supply situations, failed investments in machinery and equipment, delays in responding to technological advances, an economic downturn, sluggish demand, increased competition, currency exchange rate fluctuations, marketing failures/delayed entry, violations of antitrust and subcontracting laws, violations of foreign exchange laws, bribery, violations of laws and regulations related to personal information protection, major earthquakes (including tsunamis), major storms and floods, product defect incidents and recalls, transfer pricing tax violations

Compliance

Fundamental Approach and System

YKK considers compliance as “responding to societal demands.” Which means, in addition to abiding by laws, regulations, and internal rules, the company must conform to social standards when conducting business activities. The company has appointed a Compliance Director and established a Corporate Legal and Compliance Department under the vice president in charge of compliance to maintain a compliance system for YKK. In addition, a Compliance Committee was established to undertake appropriate compliance promotion measures from the perspective of business management and to deliberate on the operational status of compliance and responses to issues, and the latest regulatory developments.

YKK Group Code of Conduct

The “YKK Group Code of Conduct” is composed of seven principles and 29 detailed rules. They use as reference and conform to the Ten Principles of the UN Global Compact and the eight fundamental conventions of the International Labour Organization (ILO). They are also linked to the SDGs. We will work to ensure that every one of our employees implements the “YKK Group Code of Conduct” to “build trust, transparency and respect” with all our stakeholders, as stipulated in our Core Values.



YKK Group Code of Conduct (entire text)
<https://www.ykk.com/english/philosophy/guidelines.html>

Seven Principles of the YKK Group Code of Conduct

- Compliance
- Fair operating practices
- Respect for human rights
- Harmony with the environment
- Health and safety
- Product quality and safety
- Contribution to communities

Establishment of Contact Point for Internal Whistleblowing

The YKK Group has established a whistleblowing system to detect and address illegal activity at an early stage. Notably, in FY2023, the YKK Group Supplier Reporting Contact Point Human Rights Grievance Hotline was established to receive consultations from suppliers regarding misconduct, legal violations, and human rights abuses committed by YKK Group officers and employees. We are working to establish a system to appropriately receive concerns and complaints from internal and external stakeholders and provide redress.



YKK Group Supplier Reporting Contact Point
https://ml.helpline.jp/ykkjapan-partner/index_en.html

YKK Global Criteria of Compliance (YGCC)

YKK established the YKK Global Criteria of Compliance (YGCC) to ensure that YKK deploys and carries out proper and effective compliance programs to conduct transparent business activities. Based on the YGCC, each YKK Group company in the world conducts internal and external audits of management systems, human rights, labor practices, the environment, health and safety, and fair business practices, working to strengthen and continuously improve YKK's compliance system. The standards are regularly revised based on the societal demands. In FY2024, we updated the YGCC to version 4.1, and audits are being conducted according to the new standards, which are in line with current trends.



Intellectual Property Management

Fundamental Approach and System

YKK conducts intellectual property activities on a global basis as part of its business activities. Intellectual Property Department sites are located at the Kurobe Manufacturing Center, as well as in China, Singapore, England, and the United States. A system has been laid out which can deal appropriately with requests and consultations from business and development departments in any country or region of the world. Under this system, in the event, for example, that an invention is created at a development site somewhere in the world, it is promptly reported to the Patent Review Committee in Japan and the optimal rights are secured in accordance with YKK business strategy. In addition, when enforcing rights against a patent infringer or company making counterfeit products, etc., the Intellectual Property Department in each country/region collaborates with the business division to devise measures concurrently for the country where the violating items were manufactured and the country in which they were distributed. This is to ensure that customers purchase authentic YKK products, etc. Moreover, with the Trademark Committee in Japan taking the lead, we manage and operate product trademarks including NATULON® and AcroPlating®, according to standardized Group rules so as to increase value from the perspective of the intellectual property under the YKK brand. In addition, to effectively promote measures against counterfeit products, we have established a Brand Counterfeit Product Countermeasures Committee in the company. We also partner with customers and many other companies and organizations outside the company to operate a Brand Protection Partnership (B.P.P.), an association for the exchange of opinions on anti-counterfeit.



YKK brand protection activities
<https://www.ykkfastening.com/brand/>



Status of Trademarks/Patents

YKK Trademark Registration
 (International Class 26)

177 countries and regions

Patents, utility models, and designs
 (including pending applications)

5,859

Registered trademarks for zippers, etc.
 (including pending applications)

4,780

B.P.P. (Brand Protection Partnership)
Number of participants (organizations) in workshops for measures against counterfeit products

4,090 (2,317 organizations)

Intellectual Property Achievement Award METI Minister Award
Intellectual property-utilizing company (trademarks)

2021

(As of March 31, 2024)

Public-Private Partnerships for Intellectual Property Protection

YKK was selected as the first company to be visited as part of a training program by the Japan Patent Office (JPO) for developing countries, which aims to foster human assets in developing countries which are involved in industrial property rights. Twenty-three government officials from 14 countries participated into this company tour, which introduced YKK's anti-counterfeiting measures and facilitated exchanges of opinion. In addition, a visit to the Craft Lab by YKK (Akihabara, Tokyo) and workshops provided opportunities for the participants to learn about Japanese companies' commitment to *monozukuri*. The officials on the training program commented that they were able to learn a great deal about the fight against counterfeit products from the tour, and it had been a wonderful experience, while the JPO stated that the tour increased the training's effectiveness. For YKK, it was also a meaningful opportunity to learn about the actual state of counterfeit products in various countries.



Together with training program participants
 (The Craft Lab by YKK)

Financial Information

YKK Group Consolidated Financial Information

Consolidated Balance Sheet

(Millions of yen)

	Prior Fiscal Year (March 31, 2023)	Current Fiscal Year (March 31, 2024)
Assets		
Current assets		
Cash and deposits	298,450	345,073
Notes, accounts receivable, and contract assets	209,407	217,451
Securities	4,162	5,048
Inventories	191,805	197,231
Other	31,290	36,472
Allowance for doubtful accounts	(2,462)	(3,022)
Total current assets	732,655	798,253
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	481,114	523,595
Accumulated depreciation	(330,814)	(355,093)
Buildings and structures, net	150,299	168,502
Machinery, equipment and vehicles	715,462	788,657
Accumulated depreciation	(581,506)	(645,042)
Machinery, equipment and vehicles, net	133,955	143,614
Land	65,670	66,057
Construction in progress	22,718	35,859
Other	134,067	152,812
Accumulated depreciation	(101,682)	(113,220)
Other, net	32,384	39,592
Total property, plant and equipment	405,029	453,626
Intangible assets	26,783	30,666
Investments and other assets:		
Investment securities	24,235	39,771
Deferred tax assets	15,732	13,155
Other	18,196	20,978
Allowance for doubtful accounts	(1,047)	(1,139)
Total investments and other assets	57,115	72,765
Total noncurrent assets	488,927	557,059
Total assets	1,221,583	1,355,312

Consolidated Balance Sheet

(Millions of yen)

	Prior Fiscal Year (March 31, 2023)	Current Fiscal Year (March 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	80,219	59,323
Short-term borrowings	5,086	4,942
Current portion of long-term loans payable	7	1,008
Bonds scheduled for redemption within one year	10,000	-
Income taxes payable	5,469	7,664
Provision for bonuses	17,945	19,947
Deposits received from employees	37,114	36,903
Other	70,731	85,321
Total current liabilities	226,574	215,110
Noncurrent liabilities		
Corporate bonds	-	20,000
Long-term borrowings	2,066	1,027
Deferred tax liabilities	4,232	5,248
Retirement benefit liabilities	61,223	34,840
Provision for directors' retirement benefits	492	446
Other	20,703	24,144
Total noncurrent liabilities	88,718	85,708
Total liabilities	315,292	300,819
Net assets		
Shareholders' equity		
Capital stock	11,992	11,992
Capital surplus	35,390	35,394
Retained earnings	795,861	835,109
Treasury stock	(23)	(26)
Total shareholders' equity	843,220	882,471
Accumulated other comprehensive income		
Valuation difference on other securities	5,822	15,241
Deferred gains/losses on hedges	1,767	2,029
Foreign currency translation adjustment	51,059	118,356
Remeasurements of defined benefit plans	(16,298)	13,130
Total accumulated other comprehensive income	42,350	148,758
Non-controlling interests	20,719	23,263
Total net assets	906,290	1,054,493
Total liabilities and net assets	1,221,583	1,355,312

Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Prior Fiscal Year (From April 1, 2022 to March 31, 2023)	Current Fiscal Year (From April 1, 2023 to March 31, 2024)
Net sales	893,226	920,234
Cost of sales	597,301	604,225
Gross profit	295,924	316,009
Selling, general and administrative expenses	239,962	260,768
Operating income	55,962	55,241
Non-operating income		
Interest income	3,410	6,229
Dividends income	692	782
Foreign exchange gains	3,512	2,277
Miscellaneous income	4,219	4,324
Total non-operating income	11,835	13,613
Non-operating expenses		
Interest expenses	848	957
Losses on net monetary position	2,093	3,231
Miscellaneous loss	4,165	3,842
Total non-operating expenses	7,108	8,030
Ordinary income	60,689	60,824
Extraordinary income		
Gain on sales of noncurrent assets	2,244	1,514
Insurance proceeds	872	435
Other	49	9
Total extraordinary income	3,166	1,959
Extraordinary loss		
Loss on sales of noncurrent assets	35	400
Loss on retirement of noncurrent assets	1,191	1,852
Losses from disasters	1,037	284
Costs of environmental measures	2,111	-
Provision for product recalls	1,400	-
Litigation expenses	-	2,260
Other	1,578	282
Total extraordinary loss	7,354	5,080
Income before income taxes and non-controlling interests	56,502	57,703
Income taxes-current	18,565	16,162
Income taxes-deferred	(1,106)	(1,962)
Total income taxes	17,459	14,200
Net income	39,042	43,503
Net income attributable to non-controlling interests	1,113	1,137
Net income attributable to owners of parent	37,929	42,365

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Prior Fiscal Year (From April 1, 2022 to March 31, 2023)	Current Fiscal Year (From April 1, 2023 to March 31, 2024)
Net income	39,042	43,503
Other comprehensive income		
Valuation difference on other securities	(7,797)	9,419
Deferred gains/losses on hedges	(1,104)	261
Foreign currency translation adjustment	27,705	69,294
Adjustment for retirement benefits	15,081	29,520
Share of other comprehensive income of associates accounted for using equity method	-	1
Total other comprehensive income	33,885	108,497
Comprehensive income	72,928	152,000
Comprehensive income attributable to		
owners of the parent	71,008	148,773
Non-controlling interests	1,919	3,227

Consolidated statement of changes in shareholders' equity

Prior Fiscal Year (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	11,992	35,364	761,048	(20)	808,384
Changes in items during the period					
Dividends from surplus			(3,117)		(3,117)
Net income attributable to owners of parent			37,929		37,929
Purchase of treasury stock				(2)	(2)
Change in ownership interest of parent due to transactions with non-controlling shareholders		26			26
Net changes in items other than shareholders' equity					-
Total changes in items during the period	-	26	34,812	(2)	34,835
Balance at the end of current period	11,992	35,390	795,861	(23)	843,220

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on other securities	Deferred gains/losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	13,619	2,872	24,086	(31,306)	9,270	19,608	837,264
Changes in items during the period							
Dividends from surplus					-		(3,117)
Net income attributable to owners of parent					-		37,929
Purchase of treasury stock					-		(2)
Change in ownership interest of parent due to transactions with non-controlling shareholders					-		26
Net changes in items other than shareholders' equity	(7,797)	(1,104)	26,972	15,008	33,079	1,110	34,189
Total changes in items during the period	(7,797)	(1,104)	26,972	15,008	33,079	1,110	69,025
Balance at the end of current period	5,822	1,767	51,059	(16,298)	42,350	20,719	906,290

Consolidated statement of changes in shareholders' equity

Current Fiscal Year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	11,992	35,390	795,861	(23)	843,220
Changes in items during the period					
Dividends from surplus			(3,116)		(3,116)
Net income attributable to owners of parent			42,365		42,365
Purchase of treasury stock				(2)	(2)
Change in ownership interest of parent due to transactions with non-controlling shareholders		4			4
Net changes in items other than shareholders' equity					-
Total changes in items during the period	-	4	39,248	(2)	39,250
Balance at the end of current period	11,992	35,394	835,109	(26)	882,471

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on other securities	Deferred gains/losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	5,822	1,767	51,059	(16,298)	42,350	20,719	906,290
Changes in items during the period							
Dividends from surplus					-		(3,116)
Net income attributable to owners of parent					-		42,365
Purchase of treasury stock					-		(2)
Change in ownership interest of parent due to transactions with non-controlling shareholders					-		4
Net changes in items other than shareholders' equity	9,419	261	67,297	29,429	106,407	2,544	108,952
Total changes in items during the period	9,419	261	67,297	29,429	106,407	2,544	148,202
Balance at the end of current period	15,241	2,029	118,356	13,130	148,758	23,263	1,054,493

Consolidated Statements of Cash Flows

(Millions of yen)

	Prior Fiscal Year (From April 1, 2022 to March 31, 2023)	Current Fiscal Year (From April 1, 2023 to March 31, 2024)
Net cash provided by (used in) operating activities		
Income before income taxes and non-controlling interests	56,502	57,703
Depreciation expenses	60,812	62,608
Increase (decrease) in allowance for doubtful accounts	(55)	328
Increase (decrease) in net defined benefit liabilities	3,116	2,878
Interest and dividends income	(4,103)	(7,011)
Interest expenses	848	957
Losses on net monetary position	2,093	3,231
Costs of environmental measures	2,111	-
Loss on retirement of property, plant and equipment	616	937
Loss (gain) on sales of property, plant and equipment	(2,208)	(1,090)
Decrease (increase) in notes and accounts receivable - trade	(9,824)	2,103
Decrease (increase) in inventories	(20,925)	8,692
Increase (decrease) in notes and accounts payable - trade	3,074	(23,433)
Other	5,585	6,704
Subtotal	97,644	114,608
Interest and dividends income received	4,196	6,713
Interest expenses paid	(816)	(887)
Income taxes paid	(19,299)	(14,726)
Net cash provided by (used in) operating activities	81,724	105,708
Net cash provided by (used in) investing activities		
Net decrease (increase) in short-term loans receivable	21	(0)
Payments into time deposits	(7,676)	(28,673)
Proceeds from withdrawal of time deposits	2,717	15,009
Purchase of property, plant and equipment	(48,151)	(76,303)
Proceeds from sales of property, plant and equipment	3,591	2,523
Purchase of intangible assets	(5,057)	(7,287)
Purchase of investment securities	(460)	(389)
Payments from changes in ownership interests in subsidiaries that result in change in scope of consolidation	-	(2,590)
Purchase of shares of subsidiaries and affiliated companies using the equity method	(67)	(1,666)
Other	(782)	(233)
Net cash provided by (used in) investing activities	(55,864)	(99,612)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	349	(1,040)
Repayments of finance lease obligations	(3,476)	(3,786)
Proceeds from long-term loans payable	62	22
Repayments of long-term loans payable	(21)	(28)
Proceeds from issuance of bonds	-	20,000
Redemption of bonds	-	(10,000)
Purchase of treasury stock	(2)	(2)
Cash dividends paid	(3,115)	(3,099)
Dividends paid to non-controlling shareholders	(797)	(656)
Other	(0)	(13)
Net cash provided by (used in) financing activities	(7,000)	1,394
Effect of exchange rate change on cash and cash equivalents	8,207	24,744
Net increase (decrease) in cash and cash equivalents	27,066	32,235
Cash and cash equivalents at the beginning of period	264,639	291,706
Cash and cash equivalents at the end of period	291,706	323,941

Notes to the Consolidated Financial Statements

(Significant Accounting Policies in the Preparation of the Consolidated Financial Statements)

1. Scope of consolidation

Main consolidated subsidiaries are listed in “4. Overview of Affiliated Companies” under “1. Corporate Overview.”

(1) Number of consolidated subsidiaries 109

Number of new consolidated subsidiaries 3

YKK CORPORATION OF VIETNAM CO., LTD.

YKK AP Healthcare Inc.

YKK AP CORPORATE SERVICES (THAILAND) CO., LTD

Number of newly-acquired consolidated subsidiaries 2

YHS International Ltd.

Siam Metal Co., Ltd.

Number of consolidated subsidiaries decreased due to mergers between consolidated subsidiaries ... 1

IB Enterprises, Ltd.

Number of consolidated subsidiaries decreased due to liquidation 1

YKK Ethiopia

The 109 consolidated subsidiaries also include YKK Holding Europe B.V and YKK Nederland B.V.

(2) Unconsolidated subsidiaries 4

Name of major unconsolidated subsidiary:

Hotel Aqua Kurobe, K.K.

The reason for exclusion from consolidation is as follows:

These companies have been excluded from consolidation because they are small, and their total assets, net sales, net income (amount equivalent to the equity portion held by the Company) and retained earnings (amount equivalent to the equity portion held by the Company) do not have a significant effect on the consolidated financial statements.

2. Application of equity method

(1) Number of affiliated companies accounted for using the equity method 2

Number of new affiliated companies accounted for using the equity method

that were acquired via stock acquisition 1

Total Future Healthcare Ltd.

(2) Number of companies not accounted for using the equity method 5

Unconsolidated subsidiaries: 4

Hotel Aqua Kurobe, K.K.

Affiliated companies: 1

World Housing Club Co., Ltd.

The reason for not applying the equity method is as follows:

These companies are not accounted for using the equity method because their impact is not significant on the consolidated financial statements in terms of their total net income (amount equivalent to the equity portion held by the Company) and retained earnings (amount equivalent to the equity portion held by the Company), and they are not significant as a whole.

3. Accounting period of consolidated subsidiaries

The fiscal year end of certain foreign consolidated subsidiaries, including SHANGHAI YKK ZIPPER CO., LTD., is December 31. These subsidiaries are consolidated using their financial statements as of the parent fiscal year end, which are prepared solely for consolidation purposes.

4. Matters regarding accounting policy

(1) Valuation standards and valuation methods for significant assets

a) Securities

1) Held-to-maturity debt securities

Held-to-maturity debt securities are carried at amortized cost (Straight-line).

2 Other securities

a. Securities other than shares that do not have a market value, etc.

Marketable securities are carried at fair value as of the consolidated fiscal year end, with changes in unrealized gains or losses included directly in net assets. Cost of securities sold is determined using the moving average method.

b. Shares that do not have market value, etc.

Non-marketable securities are carried at cost, which is mainly determined using the moving average method. The discount cash flow method is used for some consolidated subsidiaries.

b) Derivatives

Derivative financial instruments are stated at fair value.

c) Inventories

Inventories are mainly stated at cost based on the gross average method (the balance sheet amounts are determined including any required write-downs based on any decrease in profitability).

(2) Depreciation of assets

a) Property, plant and equipment (excluding leased assets):

Amortization is calculated using the straight-line method.

The estimated useful lives are as follows:

Buildings and structures..... 2 - 50 years

Machinery, equipment and vehicles..... 2 - 15 years

b) Intangible assets (excluding leased assets):

Amortization is calculated using the straight-line method.

Software for internal use is amortized over a period of mainly 5 years using the straight-line method.

c) Leased assets:

Leased assets held under finance lease transactions, where ownership is not transferred

Depreciation of leased assets is calculated using the straight-line method over the lease terms with no residual value.

d) Right-of-use assets

Overseas subsidiaries apply the International Financial Reporting Standards 16 "Leases" (hereinafter, "IFRS 16") or the US Financial Accounting Standards Board Accounting Standards 842 "Leases" (hereinafter, "ASC 842"). In accordance with IFRS 16 or ASC 842, in principle, borrowers in lease transactions record all lease transactions as right-of-use assets, and depreciation and amortization is calculated using the straight-line method.

(3) Basis for significant reserves

a) Allowances for doubtful accounts

Allowances for doubtful accounts are provided at an amount sufficient to cover probable losses on collection. The allowances consist of the estimated uncollectible amount with respect to certain identified doubtful receivables and an amount calculated using the historical actual percentage of collection losses on normal receivables.

b) Provision for bonuses

Accrued bonuses of the Company and its consolidated subsidiaries have been provided based on the estimated amount of bonuses to be paid to employees that relates to the current consolidated fiscal year.

c) Provision for directors' retirement benefits

Provision for directors' retirement benefits of the Company and certain domestic consolidated subsidiaries has been made at an amount to be required at the current consolidated fiscal year end based on the Company's bylaws.

(4) Accounting for retirement benefits

a) Attribution to periods of expected retirement benefits

The Company and its domestic consolidated subsidiaries calculate retirement benefit obligations by using the straight-line attribution method to attribute expected benefits to the periods up to the current fiscal year.

b) Amortization of actuarial gains and losses and past service costs

The Company and its domestic consolidated subsidiaries amortize past service costs using the straight-line method over the average remaining years (10-22 years) of service of eligible employees.

Amortization of actuarial gains or losses begins in the consolidated fiscal year after the fiscal year in which the gain or loss is recognized, and is recorded using the straight-line method over a period within the average remaining years (10-22 years) of service of eligible employees at the time of occurrence in each consolidated fiscal year.

(5) Reporting of significant revenues and expenses

The following describes a) the contents of the major performance of obligations in the main business related to the revenue generated from the contracts with customers of the Company and its consolidated subsidiaries and b) the normal time points (normal time points for recognizing the revenue) to satisfy the performance of obligations.

a) Fastening Products Business

The Fastening Products Business conducts manufacturing and sales of fastening products, etc. In domestic sales, control of the product is transferred to the customer at the time of delivery and the performance of obligations is satisfied. However, since the period from the time of shipment to the time of delivery is short, we recognize the revenue on the shipping date. In export sales, we recognize revenue on the shipping date because important risks and economic values associated with possession of the product are transferred to the customer at the time of shipment and the performance of obligations is satisfied.

Revenue is measured by deducting returns, discounts, rebates, etc., from the consideration promised in the contract with the customer.

The consideration for the transaction is received within a short period of time after the performance of obligations is satisfied, and does not include any significant financial components.

b) AP Business

i. Sales of goods

The AP Business conducts manufacturing and sales of construction material products. Control of the product is transferred to the customer at the time of delivery and the performance of obligations is satisfied. However, since the period from the time of shipment to the time of delivery is short, we recognize the revenue on the shipping date.

Revenue is measured by deducting returns, discounts, rebates, etc., from the consideration promised in the contract with the customer.

The consideration for the transaction is received within a short period of time after the performance of obligations is satisfied, and does not include any significant financial components.

ii. Construction contracts

The AP Business installs curtain walls, windows, sashes, etc. For construction contracts where it is possible to reasonably estimate the progress of fulfilling the performance of obligations, we use the input method to reasonably estimate the progress of construction. We recognize revenue over a certain period of time based on the progress. On the other hand, for construction contracts where it is not possible to reasonably estimate the progress of fulfilling the performance of obligations, we use the cost recovery method to recognize revenue over a certain period of time. However, if the period from the transaction start date in the construction contract to the time when the performance of obligations is expected to be fully satisfied is very short, we recognize revenue when the performance of obligations is completely satisfied.

For construction contracts where the total estimated construction cost exceeds the total amount of the construction contract, the excess amount is immediately recognized as an expense.

There is a short gap between the time that the performance of obligations is satisfied and the consideration for the transaction is received. It does not include any significant financial components.

(6) Translation of significant assets and liabilities denominated in foreign currencies into yen

Current and noncurrent receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect on the final day of the consolidated fiscal year, and differences arising from the translation are treated as loss or gain on exchange. All asset and liability accounts of foreign consolidated subsidiaries and affiliates are translated into yen at the rates of exchange in effect at the consolidated fiscal year end, and all income and expense accounts are translated into yen at the average exchange rate during the year. Differences arising from the translation are presented as foreign currency translation adjustments and non-controlling interests in net assets. However, in hyperinflationary economies, the revenue and costs of overseas subsidiaries are translated into yen in at the rates of exchange in effect at the consolidated fiscal year end using hyperinflationary accounting.

(7) Hedge accounting

a) Hedge accounting

Deferral hedge accounting is adopted, in principle. Forward foreign exchange contracts are subject to appropriation if they satisfy the requirements for appropriation treatment.

b) Hedging instruments and hedged items

Hedging instruments and hedged items for which hedge accounting is adopted in the current consolidated fiscal year are as follows:

Hedging instruments: Forward foreign exchange contracts

Hedged items: Payables denominated in foreign currencies, forecast transactions denominated in foreign currencies.

c) Hedging policy

Foreign exchange fluctuation risk is hedged in accordance with the Company's basic policy related to risk management.

d) Assessment of hedge effectiveness

Hedge effectiveness is assessed quarterly, based on the change in market value of hedged items and the change in market value of hedging instruments. Forward foreign exchange contracts, which are subject to appropriation treatment, are excluded from the assessment of hedge effectiveness.

(8) Goodwill amortization method and period

In principle, goodwill is amortized using the straight-line method over an estimated effective period from the date of occurrence. When the amount of goodwill is insignificant, goodwill is fully expensed in the period in which it arises.

(9) Cash and cash equivalents in the Consolidated Statements of Cash Flow

Cash and cash equivalents consist of cash on hand, cash at banks that can be withdrawn at any time, and short-term investments with a maturity of 3 months or less from the date of purchase that can easily be converted to cash and are subject to little risk of change in value.

(10) Other significant accounting policies of the Consolidated Financial Statements

Application of hyperinflationary accounting

The financial statements of some consolidated subsidiaries are adjusted and consolidated in accordance with the IAS 29 Financial Reporting in Hyperinflationary Economies. The impact of inflation on the net monetary position is shown under the non-operating expenses of the Consolidated Statements of Income.

(Changes to accounting policy)

Not applicable.

(Segment information)**1. Overview of reportable segments**

The reportable segments of the Group are components for which discrete financial information is available and whose operating results are regularly reviewed by the Board of Directors to make decisions about resource allocation and to assess performance. Each business of the Group formulates comprehensive domestic and overseas strategies for the products it handles and develops business activities.

Accordingly, the Group is composed of product segments based on business, with the two reportable segments of the Fastening Products Business and the AP Business. The “Fastening Products” business manufactures and sells zippers, zipper parts, zipper materials, snaps fasteners, buttons, etc. The “AP” business designs, manufactures, installs and sells residential windows and sashes, windows and sashes for commercial buildings, interior furnishings, exterior materials, shaped products, and construction components, etc.

2. Calculation method for the amount of net sales, income or loss amounts, assets, liabilities, and other items by reportable segment

Reportable segment income is the value for operating income.

Increase in tangible and intangible assets/Intersegment net sales and transfers are mainly recorded at market prices and the cost of goods manufactured.

3. Information by reportable segment on net sales, income or loss amounts, assets, liabilities, and other items

Prior Fiscal Year (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments			Other (Note) 1.	Adjustments (Note) 2.	Amount listed on consolidated financial statements (Note) 3.
	Fastening	AP	Total			
Net sales						
Sales to third parties	378,393	508,421	886,814	6,411	-	893,226
Intersegment net sales and transfers	2,194	198	2,392	23,978	(26,371)	-
Total	380,587	508,619	889,207	30,389	(26,371)	893,226
Segment income (loss)	43,711	17,863	61,574	(2,624)	(2,987)	55,962
Segment assets	666,631	448,285	1,114,917	59,773	46,892	1,221,583
Other items						
Depreciation expenses	38,628	19,117	57,745	1,376	1,690	60,812
Increase in tangible and intangible assets	26,902	29,660	56,562	2,055	1,988	60,606

(Notes) 1. Other includes business activities such as real estate, aluminum smelting, etc.

2. (1) Adjustments for segment income (loss) of (2,987) million yen include a 2,960 million yen elimination of intersegment transactions and (5,947) million yen of operating expenses not allocable to reportable segments. Operating expenses not allocable to reportable segments include those related to company-wide shared departments of the Company.

(2) Adjustments for segment assets of 46,892 million yen include a (52,911) million yen elimination of receivables due from shared departments throughout the company, 307,928 million yen of company-wide assets not allocable to reportable segments, and a (37) million yen adjustment for inventory assets

3. Segment income (loss) has been reconciled to operating income represented in the consolidated financial statements.

Current Fiscal Year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments			Other (Note) 1.	Adjustments (Note) 2.	Amount listed on consolidated financial statements (Note) 3.
	Fastening	AP	Total			
Net sales						
Sales to third parties	377,089	537,945	915,034	5,199	-	920,234
Intersegment net sales and transfers	2,278	199	2,478	25,608	(28,086)	-
Total	379,367	538,145	917,512	30,808	(28,086)	920,234
Segment income (loss)	33,329	25,623	58,952	(219)	(3,491)	55,241
Segment assets	746,242	477,743	1,223,985	66,858	64,468	1,355,312
Other items						
Depreciation expenses	39,408	19,954	59,363	1,474	1,770	62,608
Increase in tangible and intangible assets	42,699	44,412	87,111	3,995	1,603	92,711

(Notes) 1. Other includes business activities such as real estate, aluminum smelting, etc.

2. (1) Adjustments for segment income (loss) of (3,491) million yen include a 2,954 million yen elimination of intersegment transactions and (6,445) million yen of operating expenses not allocable to reportable segments. Operating expenses not allocable to reportable segments include those related to company-wide shared departments of the Company.

(2) Adjustments for segment assets of 64,468 million yen include a (34,575) million yen elimination of receivables due from shared departments throughout the company, 314,477 million yen of company-wide assets not allocable to reportable segments, and a (33) million yen adjustment for inventory assets.

3. Segment income (loss) has been reconciled to operating income represented in the consolidated financial statements.

TCFD Comparison Table

Governance

Disclose the organization's governance around climate-related risks and opportunities.

Recommended disclosure	Relevant sections	
	This is YKK 2024 Data Book, etc.	CDP2023
a) Describe the oversight of climate-related risks and opportunities by the Board of Directors.	▪ Data Book p. 16 [Reference] Information Disclosure Based on TCFD Recommendations > Governance	▪ CDP C1.1b
b) Describe management's role in assessing and managing climate-related risks and opportunities.	▪ Data Book p. 16 [Reference] Information Disclosure Based on TCFD Recommendations > Governance	▪ CDP C1.2

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Recommended disclosure	Relevant sections	
	This is YKK 2024 Data Book, etc.	CDP2023
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	▪ Data Book p. 17 [Reference] Information Disclosure Based on TCFD Recommendations > Strategy ▪ Data Book p. 18 [Reference] Information Disclosure Based on TCFD Recommendations > Risk Management	▪ CDP C2.1a, C2.3, C2.3a C2.4, C2.4a
b) Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial plans.	▪ Data Book p. 17 [Reference] Information Disclosure Based on TCFD Recommendations > Strategy	▪ CDP C2.3a, C2.4a, C3.1, C3.2b, C3.3, C3.4
c) Describe the resilience of the organization's strategy, considering different climate-related scenarios, including scenarios below 2°C.	▪ Data Book p. 17 [Reference] Information Disclosure Based on TCFD Recommendations > Strategy	▪ CDP C3.2, C3.2a, C3.2b

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

Recommended disclosure	Relevant sections	
	This is YKK 2024 Data Book, etc.	CDP2023
a) Describe the organization's processes for identifying and assessing climate-related risks.	▪ Data Book p. 18 [Reference] Information Disclosure Based on TCFD Recommendations > Risk Management	▪ CDP C2.1, C2.2, C2.2a
b) Describe the organization's processes for managing climate-related risks.	▪ Data Book p. 18 [Reference] Information Disclosure Based on TCFD Recommendations > Risk Management	▪ CDP C2.1, C2.2
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	▪ Data Book p. 18 [Reference] Information Disclosure Based on TCFD Recommendations > Risk Management	▪ CDP C2.1, C2.2

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Recommended disclosure	Relevant sections	
	This is YKK 2024 Data Book, etc.	CDP2023
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	▪ Data Book p. 18 [Reference] Information Disclosure Based on TCFD Recommendations > Metrics and Targets ▪ Data Book p. 7-8 The CYCLE OF GOODNESS® and Sustainability > YKK Sustainability Vision 2050 Goals and Progress	▪ CDP C4.2, C4.2a, C4.2b
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	▪ Data Book p. 12 Climate Change > Changes in CO ₂ emissions ▪ Data Book p. 13 Climate Change > Breakdown of CO ₂ emissions across all supply chains ▪ Data Book p. 14 Climate Change > CO ₂ emissions in supply chains	▪ CDP C6.1, C6.3, C6.5, C6.5a
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against those targets.	▪ Data Book p. 12 Climate Change > Changes in CO ₂ emissions ▪ Data Book p. 7-8 The CYCLE OF GOODNESS and Sustainability > YKK Sustainability Vision 2050 Goals and Progress	▪ CDP C4.1, C4.1a, C4.2, C4.2a, C4.2b

Awards and Achievements

Please see news releases on our website for more details.

https://www.ykk.com/english/newsroom/g_news/2024/

Awarded month/year	Name of award and reason	Recipient	Awarding organization
May 2023	Provision of Gender-Responsive and Child-Friendly Facilities and Infrastructure in Depok City	P.T. YKK Zipper Indonesia	UPTD Perlindungan Perempuan Dan Anak (PPA, or "protection of women and children" in English), Depok City
July 2023	Company Performance Rating Program (Blue)	P.T. YKK Zipco Indonesia	Indonesian Ministry of Environment and Forestry (KLHK)
July 2023	Increasingly Courageous Cooperatives Award, Bekasi District (2nd place)	P.T. YKK Zipco Indonesia	Bekasi Prefectural Government
August 2023	Pancasila Industrial Relations, Bekasi District (3rd place)	P.T. YKK Zipco Indonesia	Bekasi Regency Recruiting Office
September 2023	Selected as a top 500 company in Shenzhen for 2023	YKK Zipper (Shenzhen) Co., Ltd.	Shenzhen Enterprise Confederation/ Shenzhen Entrepreneur Association
September 2023	Minister of Economy, Trade and Industry Award, 17th Kids Design Award (PASSIVETOWN® 4th Block, Tampopo Child Center)	YKK	NPO Kids Design Association
November 2023	Selected as a top 100 company in Bao'an District for five categories in 2023 (Top 100 in industry, Top 100 in value added, Top 100 in foreign trade)	YKK Zipper (Shenzhen) Co., Ltd.	Industry and Information Technology Bureau, Bao'an District, Shenzhen Municipality
November 2023	Selected as a top 500 manufacturing enterprise in Guangdong Province in 2023	YKK Zipper (Shenzhen) Co., Ltd.	Institute of Industrial Economy, Jinan University, Guangdong Manufacturing Association, Guangdong Provincial Development and Reform Research Institute
November 2023	Supporters of the Indonesia's Climate Village Program (ProKlim)	P.T. YKK Zipper Indonesia	Regional Department of the Environment (DLHK) West Java Province
December 2023	National (Shenzhen) Excellent Enterprises With Foreign Investment Carbon Reduction Promotion (2022-2023), National (Shenzhen) Excellent Enterprises With Foreign Investment Harmonious Labor Relations Promotion (2022-2023), National (Shenzhen) Excellent Enterprises With Foreign Investment Compliance Construction Promotion (2022-2023)	YKK Zipper (Shenzhen) Co., Ltd.	China Association of Enterprises with Foreign Investments, Shenzhen Association of Enterprises with Foreign Investments
December 2023	Selected by the Green Workshop in Jiangsu Province	YKK Snap Fasteners (Wuxi) Co., Ltd.	Industry and Information Technology Department in Jiangsu Province
December 2023	Company Performance Rating Program (Blue)	P.T. YKK Zipper Indonesia	Indonesian Ministry of Environment and Forestry (KLHK)
January 2024	Great Place to Work 2023 Award (Community category)	YKK Portugal Acessórios Para Vestuário, LDA.	Great Place To Work®
February 2024	YKK Selected for CDP Climate Change Highest "A List" Rating	YKK	CDP
February 2024	Ikast-Brande Kommune ESG Social Award	YKK Danmark A/S	Ikast-Brande Kommune
March 2024	Selected as a Supplier Engagement Leader	YKK	CDP
March 2024	Selected as a water-saving company	Shanghai YKK Zipper Co., Ltd.	Shanghai Water Authority / Shanghai Municipal Commission of Economy and Informatization
March 2024	Selected as an advanced company in safety production	Shanghai YKK Zipper Co., Ltd.	Shanghai Minhang Economic and Technological Development Zone
March 2024	10th Shenzhen Growing Company Best Employer Awards - Organizational Efficiency Award	YKK Zipper (Shenzhen) Co., Ltd.	Shenzhen Best Employer Selection Committee
March 2024	Selected as an advanced company for energy saving and reducing emissions in FY2023	YKK Snap Fasteners (Wuxi) Co., Ltd.	People's Government of Xinwu District, Wuxi
March 2024	Selected as the top 10 tax contribution company in Nicheng town in FY2023	Shanghai YKK Zipper Co., Ltd.	Shanghai Pudong New Area Nicheng town Committee, People's Government of Nicheng Town, Pudong New Area
March 2024	Selected as the top 10 industrial production output company in Nicheng town in FY2023	Shanghai YKK Zipper Co., Ltd.	Shanghai Pudong New Area Nicheng town Committee, People's Government of Nicheng Town, Pudong New Area

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